per thousand upon capital, surplus, and undivided profits; to the Committee on Ways and Means.

Also, petition of the Standard Brick Manufacturing Co., John Andres, secretary, protesting against legislation to prevent purchasing stamped envelopes with members of firms and their addresses printed thereon; to the Committee on the Post Office and Post Roads.

Also, petition of Charles Leich & Co., of Evansville, Ind., and the National Wholesale Druggists' Association, in session at Indianapolis, Ind., favoring the Harrison antinarcotic bill; to the Committee on Ways and Means.

Also, petition of Local No. 51, Iron Molders' Union, Charles C. Ray, secretary, of Evansville, Ind., favoring a bill prohibiting the use of the stop watch in making time study of the movements of any Government employee; to the Committee on Labor.

By Mr. McCLELLAN: Petition of A. D. Rose, of Kingston, N. Y., against legislation prohibiting purchase at post office of stamped address envelopes; to the Committee on the Post Office and Post Roads.

By Mr. MAPES: Protest of the Grand Rapids Overland Co., of Grand Rapids; the Studebaker Corporation of America, of Detroit; and 33 other automobile manufacturing companies of the State of Michigan, against the proposed special tax upon automobiles; to the Committee on Ways and Means.

Also, protest of the Citizens' Telephone Co. of Grand Rapids, Mich., against the imposition of a special tax of 1 cent on telephone messages; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Petition of the National Liberal Immigration League, relative to House bill 18220, as to citizens of other countries living in the United States taking part in European war; to the Committee on Immigration and Naturalization.

Also, petition of the N. Barstow Co., of Providence, R. I., protesting against the bill to prohibit sale of return envelopes; to the Committee on the Post Office and Post Roads.

By Mr. RAKER: Petition of 18 citizens of Calaveras County, Cal., favoring national prohibition; to the Committee on Rules.

Also, memorial of the United States Licensed Shipmasters, Marine Engineers, and Mates of Ocean Steamers of the Port of San Francisco, protesting against suspension of the navigation laws of the United States; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Piedmont Parlor, Native Daughters of the Golden West, favoring the passage of the Hamill bill, relative to retirement of civil-service employees; to the Committee on Reform in the Civil Service.

By Mr. REILLY of Connecticut: Petition of the English & Messick Co. and C. Codles & Co., of New Haven, Conn., and the Locomobile Co., of Bridgeport, Conn., protesting against tax on automobile manufacturers; to the Committee on Ways and Means.

By Mr. SLOAN: Petition of William Peters, of Thayer, Nebr., against national prohibition; to the Committee on Rules.

SENATE.

WEDNESDAY, *October 7, 1914.*

The Chaplain. Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thy care for all Thy creatures is manifest unto us in all the works of Thy hands. The voice of nature about us proclaims God's grace and love for all that He has made. We are sure in the light of all we have learned that not a sparrow falls without Thy notice. Thou hast kept us in the hollow of Thy hand. Thou hast shielded us from every enemy. Thou hast guided us in the paths of peace and of prosperity and of happiness. Thou art opening Thy hands and supplying our every need. We make humble acknowledgment for Thy goodness to us. We pray that this day we may give expression to our sense of gratitude by lives consecrated to Thy service. Bless every Member of the Senate and all who are in authority, that Thy will may be done with us as a nation, and that Thou mayest use us even now as an evangel of peace among the nations of the earth. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Monday, September 28, 1914, when, on request of Mr. OVERMAN and by unanimous consent, the further reading was dispensed with and the Journal was approved.

COTTON INDUSTRY OF NORTH CAROLINA.

Mr. OVERMAN. Mr. President, in a colloquy on the floor of the Senate a few days ago the senior Senator from Michigan [Mr. SMITH] read a letter containing an expression to the effect that the cotton industry of North Carolina was prostrated. I demanded the name of the writer. The Senator said it was a personal letter and declined to give me the name, but he asked me if I knew Gen. Julian S. Carr. I replied that I did. He said that I had a similar letter from Gen. Carr, and probably I could find it in my files. The Senator also asked me if I knew Hon. J. A. Long, one of the prominent citizens of my State, and said if I would examine my files I would find a letter from him. I replied that I had no recollection of having received a letter from anyone on that subject. He asked me if I would look at my files and see if I had not received a letter from Julian S. Carr and also from J. A. Long, the substance of which was that the cotton industry of North Carolina was prostrated in July.

I am sorry that the Senator from Michigan is not now here, but I wish to say that I have examined the files of my office and I have found no such letter. Then I telegraphed to each of these prominent citizens of North Carolina. I telegraphed to Gen. Carr as follows:

OCTOBER 5, 1914.

To Gen. J. S. CARR,
Durham, N. C.:

It has been charged upon the floor of the Senate that you wrote me a letter charging that the revision of the tariff prostrated the cotton industry in North Carolina. Did you ever write me such a letter?

I also sent a similar telegram to Hon. J. A. Long. The reply of Gen. Julian S. Carr is as follows:

DURHAM, N. C., *October 5, 1914.*

Hon. LEE S. OVERMAN,
United States Senate, Washington, D. C.:

No, my dear Senator; I did not.

JULIAN S. CARR.

I also have received another telegram from Gen. Carr, as follows:

DURHAM, N. C., *October 5, 1914.*

Senator LEE S. OVERMAN,
Washington, D. C.:

I am the one cotton manufacturer in the South that gave out an interview indorsing the administration and the Democratic Party for keeping the party pledge to reduce the tariff downward and highly praised the administration for living up to the party's platform pledges to reduce the tariff, and the interview was largely copied by the press and commended.

JULIAN S. CARR.

I received the following telegram in reply from Hon. J. A. Long:

ROXBORO, N. C.

Senator LEE S. OVERMAN,
Washington, D. C.:

Replying to your inquiry whether or not I wrote you in regard to depression in cotton-mill business caused by revision of tariff, I wish to say I did not.

J. A. LONG.

Now, I wish to read an editorial from the Greensboro Daily News, one of the leading papers of North Carolina. It is an independent paper. I will read only one extract, but will ask that the whole editorial may go in:

The truth is the cotton mills of the South are in the finest shape that they have known in several years, the impression of Senator SMITH [of Michigan] to the contrary notwithstanding. Many of them have come to the conclusion that cotton has about reached the bottom and are beginning to purchase, and their number is increasing daily. The statement as to the Parker mills is true, but even their action is but a forecast of the revival of industry that can not be postponed many days longer.

The editorial referred to is as follows:

[From the Greensboro Daily News, Monday, October 5, 1914.]

FORTUNATELY, IT IS TRUE.

A friend of the Daily News, inclosing a clipping concerning the Parker chain of cotton mills in South Carolina preparing to run day and night to fill orders on hand, remarks, "It sounds good, if it is true." The comment is eloquent of how deeply the war scare has penetrated the minds of the business men of the South. The news is true, what there is of it; but as a matter of fact it tells only half the story. The cotton-mill men are not in business for their health. It is to their interest to buy cotton at the lowest possible price. We do not think that there has been any organized effort to bear the market by the cotton spinners, but it can be asserted with perfect safety that the spinners were not the most enthusiastic of those who have been trying to lift the market back to normal. They would be more or less than human had they taken the lead.

The truth is the cotton mills of the South are in the finest shape that they have known in several years, the impression of Senator SMITH to the contrary notwithstanding. Many of them have come to the conclusion that cotton has about reached the botton and are beginning to purchase, and their number is increasing daily. The statement as to the Parker mills is true, but even their action is but a forecast of the revival of industry that can not be postponed many days longer.

Mr. OVERMAN. I have a letter from the leading cotton section of North Carolina, written by Mr. Sherrill, who is the editor of the Concord Daily Tribune, inclosing me a copy of an editorial from that paper, which I will also ask to have printed

in the RECORD without reading. I will read Mr. Sherrill's letter:

CONCORD, N. C., *October 5, 1914.*

Hon. LEE S. OVERMAN,
Washington, D. C.

MY DEAR SENATOR: I inclose editorial clipping from my paper to-day. The mills in this city are all running on full time. The Cannon Mills have all paid 10 per cent dividends, without interruption, with the exception of the Gibson mill, which pays 6 per cent. It is understood that the Gibson mill is in much better shape now than it has ever been. It is a common report that it has laid by a good surplus.

The Young-Hartsell mill is making money for the first time in 10 years since it was organized. There is not a mill in this city that is not in excellent condition.

I thought possibly this information would be of some value to you at this juncture.

Yours, very truly, J. B. SHERRILL.

The editorial referred to is as follows:

[From the Concord (N. C.) Daily Tribune, October 5, 1914.]

Senator WILLIAM ALDEN SMITH, of Michigan, prompted, it is said, by some Durham Republicans, in attacking the Wilson administration in a speech Saturday in the Senate, brandished a letter from "a friend in North Carolina," in which it was said that the cotton mills in the State had been "hit pretty hard" by the Simmons-Underwood tariff. Senator OVERMAN promptly demanded the name of Senator SMITH'S informant, but the latter would not give it. Senator OVERMAN denied vigorously that the cotton-mill industry in the State had undergone a slump. He stated that he lived in a mill section of the State, and that on a recent visit home he found them in fine shape. He said that he had $500 worth of stock in one mill, and that a 6 per cent dividend was paid this year. The cotton mills in Concord are running on full time, some of them at night. At least one of them is enjoying the most prosperous season it has ever had since its organization. Senator SMITH will have to make another tack.

HOUR OF ADJOURNMENT.

Mr. KERN. I move that the Senate adjourn at the hour of 1 o'clock p. m. to-day until 11 o'clock to-morrow.

The motion was agreed to.

PETITIONS AND MEMORIALS.

Mr. THORNTON. I present the memorial of J. M. Brown, of Keatchie, La., protesting against the letting out of rural routes by contract, which I ask may be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

KEATCHIE, LA., *October 1, 1914.*

Hon. J. R. THORNTON,
United States Senate, Washington, D. C.

DEAR SIR: I see through the newspapers that Mr. Burleson intends to let the rural routes out by contract, as the star routes are. I want to enter my protest against this; being a patron of a rural route I am in a position to know the amount of labor, expense, and hardships that attaches to delivering the mails on a rural route.

I think it is unjust and unfair to let these routes out by contract at starvation wages. I think the rural carriers are the poorest-paid men in the Government service for the amount of labor exacted.

I hope you will use your influence with the Postmaster General to prevent this. I hope I will not be trespassing on your patience in asking you to have this letter inserted in the CONGRESSIONAL RECORD as my earnest protest against contract rural carriers.

With best wishes,
Very truly, yours, J. M. BROWN.

Mr. THOMPSON. I present a memorial remonstrating against the proposed increase in the cost of mileage books to 2¼ cents a mile, which I ask may be printed in the RECORD without reading.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

RICE-STIX DRY GOODS CO.,
Wichita, Kans., October 3, 1914.

Hon. W. H. THOMPSON,
Washington, D. C.

DEAR SIR: I wish to file a protest with the Interstate Commerce Commission through you, our representative in Washington, against the unjustified attempt of the railroads to increase the cost of mileage books to 2¼ cents a mile. If this increase is permitted, the burden will fall almost entirely on the shoulders of the commercial traveler, because it is only the commercial traveler who uses the mileage books. The price has been 2 cents a mile on mileage books for 35 years, and if there is a necessity of raising rates why not put it on the local tickets of people who only travel once a year instead of adding the burden to the men who are creating the business for the mills, factories, and railroads all over the country?

What the country needs is more business and not added handicap on the men who are trying to produce more business. We are not asking anything that is not fair and just, but believe we are entitled to consideration in this matter, and the influence of 500,000 traveling men will undoubtedly be felt in this matter.

Thanking you in advance for your assistance in the stopping of this action, I am,

Yours, very truly, W. L. SMART,
Wichita, Kans., 1115 North Waco Avenue.

Mr. GRONNA. I received this morning three telegrams with reference to the bill now before the Senate Finance Committee regarding a revenue tax, two being from my State and a third one from the Board of Trade of Peoria, Ill. They are all brief, and I ask that they may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the telegrams were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

BISMARCK, N. DAK., *October 6, 1914.*

Senator GRONNA,
Washington, D. C.:

As dealers and users of automobiles we wish to protest against the special war tax on automobiles. Such a measure means an enormous loss to the entire industry, and we beg of you to use every possible effort in opposing the measure.

LAHR MOTOR SALES CO.

FARGO, N. DAK., *October 6, 1914.*

Senator A. J. GRONNA,
Washington, D. C.:

We wish to enter protest against proposed bill for taxing automobile manufacturers and owners now before Congress.

NORTH DAKOTA AUTOMOBILE DEALERS' ORGANIZATION.

PEORIA, ILL., *October 6, 1914.*

Hon. A. J. GRONNA,
Senate, Washington, D. C.:

The members of the Peoria Board of Trade, through its directors, in a special meeting to-day, wish to protest against the clause in the revenue bill which imposes a tax on products sold on boards of trade. The Peoria Board of Trade does an exclusive cash business, and this tax will be upon patrons who ship grain from Illinois, Iowa, Missouri, North Dakota, and South Dakota to this market. This is class legislation and discriminatory in its provision.

PEORIA BOARD OF TRADE,
N. R. MOORE, *President.*
JOHN R. LOFGREN, *Secretary.*

Mr. JONES. I have a telegram from William Peterson, president of the Tacoma Life Underwriters' Association, of Tacoma, Wash., protesting against the proposed life insurance tax.

I have also a telegram from the Motor Car Dealers' Association of Seattle; one from the Hawkins Motor Car Co., of Spokane; one from the Yakima Auto Dealers' Association, of Yakima; the Yakima Auto & Supply Co., the Washington Auto Co., the Scorn Motor Co., and the Bell-Wyman Implement Co., of North Yakima, all remonstrating against the proposed war tax on manufacturers of gasoline and motor vehicle outfits. I ask that they be referred to the Committee on Finance, or probably it would be better to refer them to the Democratic caucus.

There being no objection, the telegrams were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

TACOMA, WASH., *October 3, 1914.*

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.:

As a body of insurance men associated for the purpose of safeguarding the interests of the insuring public we desire to protest against proposed tax on life insurance, which is already heavily taxed. This tax would fall principally on the thrifty laboring class, whose life insurance is their families' protection.

WM. PETERSON,
President Tacoma Life Underwriters' Association.

SEATTLE, WASH., *October 6, 1914.*

Senator WESLEY L. JONES,
Washington, D. C.:

The members of this association register earnest protest against proposed horsepower tax on motor vehicles. We believe such a tax is one on a necessary commodity, as motor vehicles are to-day as necessary as the telephone. Its effect will be to curtail sales and decrease business in this territory. It will be especially hurtful on account of the fact that ranchers, lumbermen, and farmers are the largest users of motor vehicles. As representing this city and territory, would ask you to oppose this feature and use your influence to eliminate the proposed tax.

THE MOTOR CAR DEALERS' ASSOCIATION OF SEATTLE.

SPOKANE, WASH., *October 6, 1914.*

Senator W. L. JONES,
Washington, D. C.:

We consider proposed Government tax on horsepower on all motor vehicles decidedly unfair, and ask that you oppose vigorously. Virtually class legislation, therefore unconstitutional. If they must hang it on the motor-car industry, would suggest 1 cent gallon on gasoline.

HAWKINS MOTOR CAR CO.

NORTH YAKIMA, WASH., *October 6, 1914.*

Senator W. L. JONES,
Washington, D. C.:

We hereby protest against the prohibitive special war tax of $1 paid by manufacturers and 25 cents paid by owners. We consider the same un-American, confiscatory, and class legislation of the worst kind. We ask you to vote and use your influence against the measure.

YAKIMA AUTO DEALERS' ASSOCIATION.
YAKIMA AUTO & SUPPLY CO.
WASHINGTON AUTO CO.
SCORN MOTOR CO.
BELL-WYMAN IMPLEMENT CO.

Mr. PENROSE. I desire to state in this connection that I have received many thousands of telegrams against nearly every feature of the pending revenue bill.

Mr. SMITH of Michigan. Mr. President, I desire the Senate to know that I have received a formal protest from 7,000 work-

men employed in the Studebaker Motor Car Co., of Detroit, and a unanimous protest from the workmen in the Cadillac Motor Co., of Detroit, against the plan which seems to have been devised—and I hope is to be abandoned—to place a special horsepower tax on the construction and production of automobiles in order to meet a needless deficiency in the revenues of the Government. I ask to have it printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

DETROIT, MICH., *October 6, 1914.*

Hon. WILLIAM ALDEN SMITH,
Washington, D. C.

SIR: We, the undersigned, on behalf of the 7,000 employees of the Studebaker Corporation, desire to enter our protest against the proposed special tax on automobiles. We believe that such a tax will work great harm on the entire automobile industry, and that we are likely to feel the burden of this special tax, as cars have been sold at contract prices, and the tax will have effect of canceling and delaying sales. The added tax may result in loss of employment. We believe the special tax to be a discrimination, and that this business should not be expected to bear such a heavy burden.

Employees: Bert Vanes, Aug. Suess, Ernest Ternnis, R. C. Sackell, Jas. McWilliams, Rex Johnson, E. J. Chase, W. C. Rodd, W. J. Nederlander, Frank Sacie, R. A. Tipping, W. Labruw, F. A. Monroe, Geo. Rider, M. M. *Elhut*, B. B. Holt, A. D. Avery, John Hay, L. D. Trarahbury, Ben Shutt, H S. Perkins, J. N. Tincknel, C. Taylor, C. Bronson, G. Ovitz, T. C. Ilse, J. Filkewice, Peter Hidziak, Grovtoski, M. E. Maloney, F. Konowsui, R. Fuske, F. M. Wood, A. K. Yeraston, Wm. Allstine, Frank A. Mance, Art Karisher, R. L. Blake, L. H. James, Ira Teemers, B. V. Bassett, A. B. Edgel, C. W. Scan, A. M. Harris, W. Grist, Walter B. Brady, F. J. Brenner, M. J. Bishop, F. C. Smith, R. C. Liddle, D. T. Gray, B. W. Forbes, W. J. Hannon, Jacks Richardson, C. Hayer, C. J. Arthur, C. Wilcox, Walter Roman, J. J. Schlickenona, H. Palmer, John Tesla, Victor J. Aglowski, Harry Hartman, Anth Berels, J. Hogle, V. O. Heis, H. J. Pike, Z. Milvin, Wm. Riley, Chas. Beards, Don P. Moloney, Vin M. Wise, R. E. Weiss, E. F. Warren, F. L. Lovett, M. C. Herzig, L. A. Stevens, Louis Bothke, J. W. Roche, W. G Owen G. Misiner, E. J. Ford, G. R. Richardson, O. Cartson, A. L. Freer, O. O. Jones, J. Klein, Harold Lappan, J. Weber, H. K. Rone, Jos. Sylvan, M. Zligiur, P. Schuber, D. Macklaren, N. E. Roberts, G. W. Barker, John Roldgs, C. Fitzgerald, B. Miecbesowki, Luke Olean, Henry Yapki, D. G. Relvet, H. Kissner, Dan Linberg, Ed M. Donnell, Clarence Corlwe, Fred M. Zecder, A. W. Eberan, Geo. W. Criv, P. G. Haegnebart, G. T. Jones, C. R. Nicodemus, P. Hess, J. C. Hogan, D. H. Chapman, E. J. Stuart, M. R. Denison, D. O. Heist, J. E. Hawley, J. W. Martin, J. Sinlim, Harry Panphell, Jack Morris, S. Rosenberg, G. Knohleski, Jos. Berinsah, P. Smith, C. T. Upper, J Steki, Tom Evola, Al Muzynski, T. Zulkowski, O. Dubroski, R. S Lehman, J. Reiser, E. J. Durst, F. Nusbann, Suittch, Max Retter, S. Nikischer, Ceastman, H. Voigt, J. Gastic, Jow Frank, Jos. Okwklutx, H. Wenner, J. Weiler, Jack Arnold, Ira Harrington, C. D. Robinson, T. Rohkowe, N. Dare, John E. Cawley, Otto W. Ropuguet, C. Dow, R. Robison, Ottis Buhlinger, Dan S. Price, R. F. Kossage, M. C. Bogard, John Dixker, E. Loomey, Joe Foel, Frank Renaker, G. W. Berz, O. Ronowski, B. Ginter, I. Prazer, Anton Toocks, A. Kowatk, C. Dilks, H. Green, F. D. Dressel, H. Dejit, B. Gilmore, Emile Thearenk, J. E. Thek Thos. Finick, A. F. Wallace, A. J. Leaynor, E. Harris, Otto Fish, Raymond Buett, Geo. Jones, Tom Petere, E. E. Blastowski, Leo Glinski, G. Horork, O. Ciliy, J. Rizfer, Gust Hawsey J. Marcinla, J. M. Becket, R. Framuel, A. Joelgenson, F. Somerfielm, J. Klinics, Davis Evans, F. O'Hare, Andrew Veleon, G. M. Henon, J. M. Michael, O. Plant, C. Abrdker, L. Bloom, G. Lakin, Earl Osson, Fritz Tetner, F. M. Hull, Jos. Gopin, Ed Coll, H. Dusselhouse, Smith, Stempsyiaski, Jack Miller, O. Doty, W. Staffnick, E. Flowers, A. Byers, John Zojoy, J. B. Turesky, H. Brown, D. Grgunski, John J. Diebboll, Wm. Leiy, Jas. A. Duncan, L. Brown, Jno. Bergmon, F. P. Whiting, F. H. Guyott, Tony H. Scheffer, G. C. Meisoner.

Mr. SMITH of Michigan. I present a letter addressed to my colleague and myself from the president of the First National Bank of Kalamazoo, the president of Kalamazoo National Bank, the president of the Home Savings Bank of Kalamazoo, and the president of the Kalamazoo City Savings Bank, protesting against the proposed tax of $2 per thousand upon the capital, surplus, and undivided profits of all banks. I ask that the letter be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

KALAMAZOO CITY SAVINGS BANK,
Kalamazoo, Mich., October 4, 1914.

Hon. WILLIAM ALDEN SMITH and
Hon. CHARLES E. TOWNSEND,
United States Senate, Washington, D. C.

GENTLEMEN: We, the representatives of the banks of the city of Kalamazoo, protest against the enactment into law of the proposed tax of $2 per thousand upon the capital, surplus, and undivided profits of all banks, as contemplated in the so-called war-revenue bill.

We protest not because we are unwilling to bear our share of the burden of Government maintenance but because this tax is not laid alike upon the capital, surplus, and profits of all corporations.

We respectfully ask you to oppose this injustice with all the strength at your command.

Yours, respectfully,

FIRST NATIONAL BANK,
C. S. CAMPBELL, *President.*
KALAMAZOO NATIONAL BANK,
E. J. PHELPS, *President.*
HOME SAVINGS BANK.
V. T. BARKER, *President.*
KALAMAZOO CITY SAVINGS BANK,
HERBERT JOHNSON, *President.*

Mr. WARREN. I have received a great number of telegrams concerning the proposed tax on the horsepower of motor cars. I will simply ask that the briefest one of the lot, which consists of but two lines, may be printed in the RECORD. I will state that I have here several hundred telegrams to the same purport.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

RAWLINS, WYO., *October 6, 1914.*

Hon. F. E. WARREN,
United States Senate, Washington, D. C.:

Urge you protest against proposed tax on horsepower on motor cars. Will seriously affect our business and sale of cars.

SUNDIN GARAGE.
BIBLE GARAGE.
CLIFFORD SUNDIN.
HOMER FRANCE.
RAWLINS NATIONAL BANK.
FIRST NATIONAL BANK.

Mr. OLIVER presented memorials of sundry citizens of Pennsylvania, remonstrating against the proposed tax on life-insurance policies, which were referred to the Committee on Finance.

He also presented a memorial of the High Grade Oil Refining Co., of Bruin, Pa., remonstrating against the proposed tax on gasoline and other motor lubricants, which was referred to the Committee on Finance.

He also presented memorials of sundry citizens of Pennsylvania, remonstrating against the proposed tax on automobiles, which were referred to the Committee on Finance.

Mr. ROOT presented memorials from sundry merchandise brokers of the State of New York, remonstrating against the passage of the proposed war-revenue bill, which were referred to the Committee on Finance.

Mr. PERKINS presented memorials of the California Bankers' Association, of San Francisco; the Security Bank, of Oakland; and the First National Bank of Holtville, all in the State of California, remonstrating against the proposed tax on capital, surplus, and undivided profits of banks, which were referred to the Committee on Finance.

He also presented memorials of the San Francisco Life Insurance Co., of San Francisco, and the Pacific Mutual Life Insurance Co., of Oakland, all in the State of California, remonstrating against the proposed stamp tax on insurance companies, which were referred to the Committee on Finance.

He also presented a memorial of the Automobile Dealers' Association of Fresno, Cal., remonstrating against the proposed tax on automobiles, which was referred to the Committee on Finance.

He also presented a petition of Liberty Lodge, No. 11, Knights of Pythias, of Oakland, Cal., praying for the enactment of legislation to grant pensions to civil-service employees, which was referred to the Committee on Civil Service and Retrenchment.

He also presented the memorial of R. K. Madsen, of Parlier, Cal., remonstrating against the proposed war tax on dry wine used for vinegar, which was referred to the Committee on Finance.

He also presented the memorial of J. Allec, of San Francisco, Cal., remonstrating against the proposed tax on gasoline, which was referred to the Committee on Finance.

He also presented a memorial of eight banks of California, remonstrating against the proposed tax on capital and surplus of banks, which was referred to the Committee on Finance.

Mr. MARTINE of New Jersey. I present and ask to have read a resolution adopted by the West End Citizens' Association, of Washington, D. C., with reference to a bill which has been introduced by me to fix the salary of the auditor of the Supreme Court of the District of Columbia. It is a short resolution. I will say, and I ask that it be read and referred to the Committee on the District of Columbia.

There being no objection, the resolution was read and referred to the Committee on the District of Columbia, as follows:

WEST END CITIZENS' ASSOCIATION,
Washington, D. C., October 3, 1914.

Hon. JAMES E. MARTINE,
United States Senate, Washington, D. C.

DEAR SIR: The following resolution was unanimously adopted at the September meeting of our association, held last Monday evening, and ordered referred to you for the consideration of the Congress:

"*Resolved*, That the West End Citizens' Association approved House bill No. 17097, to fix the salary of the auditor of the Supreme Court of the District of Columbia, and petitions the United States Senate its early enactment into law. We recommend that that official receive a fixed salary not exceeding $5,000 per annum, and that all necessary expenses of maintaining the office be paid out of the fees received from litigants and others, and that the surplus, if any, be deposited in the United States Treasury to the credit of the District of Columbia, the latter being required to pay all expenses incidental thereto."

Respectfully,

GEORGE W. EVANS, *President.*

Attest:

LUTHER W. LINKINS, *Secretary.*

EMPLOYEES OF RAILWAY MAIL SERVICE.

Mr. BORAH. Mr. President, on September 23 I presented some petitions, letters, and newspaper clippings with reference to a certain bill, being Senate bill 5826, to prevent the use of the stop watch or other time-measuring devices on Government works, and so forth, and they were referred to the Committee on Education and Labor. Since presenting those petitions I have received a number of letters and telegrams asking that certain names be taken from the petitions, and so forth. I ask unanimous consent to withdraw those petitions from the Senate files.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

REPORTS OF COMMITTEES.

Mr. CHAMBERLAIN, from the Committee on Military Affairs, to which was referred the bill (H. R. 9270) for the relief of John M. Gray, reported it without amendment and submitted a report (No. 807) thereon.

Mr. MYERS, from the Committee on Public Lands, to which was referred the bill (S. 6484) to provide for the nonmineral entry of lands withdrawn, classified, or reported as containing coal, phosphate, nitrate, potash, oil, gas, or asphaltic minerals in Alaska, reported it with an amendment and submitted a report (No. 806) thereon.

NAVAL WAR COLLEGE OF BRAZIL.

Mr. THORNTON. In behalf of the Committee on Naval Affairs I present a favorable report on the joint resolution (S. J. Res. 193) to authorize the President to grant leave of absence to two commissioned officers of the line of the Navy for the purpose of accepting an appointment under the Government of Brazil as instructors in naval strategy and tactics in the Naval War College of Brazil, which I ask to have read, and I will ask unanimous consent for its present consideration.

The VICE PRESIDENT. Without objection, the joint resolution will be read.

The Secretary read the joint resolution, as follows:

Whereas the Republic of Brazil has recently established the Naval War College of Brazil at Rio de Janeiro, Brazil, and is desirous that two commissioned officers of the line of the Navy of the United States experienced in naval war college work be permitted to serve therein as instructors in naval strategy and tactics; and

Whereas the United States of America wishes to show its friendly feeling for the Republic of Brazil by complying with its desire: Now, therefore, be it

Resolved, etc., That the President be, and he is hereby, authorized, in his discretion, to grant leave of absence to not more than two commissioned officers of the line of the Navy of the United States to assist the Republic of Brazil as instructors in naval strategy and tactics in the Naval War College of Brazil, in pursuance of an arrangement to be made between such officers so detailed and the Government of Brazil; and that such officers while absent on such leave be, and they are hereby, authorized to accept from the Government of Brazil the said employment with compensation from the said Government: *Provided, however*, That the permission so given shall be held to terminate at such date as the President may determine. To insure the continuance of this work during such time as may be desirable, the President may have the power of substitution in case of the termination of the detail of an officer for any cause; and that the officers, while so absent in the service of the Republic of Brazil, shall receive no pay or allowances from the United States Government.

Mr. THORNTON. I ask that the letter of the Secretary of the Navy, which is attached to the joint resolution, may be read. It gives the reasons why the department desires the passage of the joint resolution.

The VICE PRESIDENT. Without objection the Secretary will read as requested.

The Secretary read as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, October 2, 1914.

MY DEAR MR. CHAIRMAN: The department has been informed that by virtue of the act of January 3, 1914, the Government of Brazil has established the Naval War College of Brazil at Rio de Janeiro, Brazil. An executive decree of February 25, 1914, promulgated the regulations governing this naval school, as follows:

"Chapter 2, article 5, section 3: Services of the general staff. Preparation of the navy for war. Conferences by an officer of a foreign navy with whom a contract shall be made or by an officer of the Brazilian Navy.

"Chapter 2, article 5, section 14: Strategy, tactics, and the naval war game. Course under the direction of a foreign professor with whom a contract shall be made or an officer of the Brazilian Navy."

The minister of marine of the Government of Brazil has suggested that contracts be made with two officers of the American Navy to act as instructors in naval strategy and tactics in the Naval War College of Brazil. This flattering proposal meets with the approval of this department. It is believed that such a detail will tend to develop the friendly relations between the Government of the United States and that of Brazil, and that the experience which will be gained by the naval officers so employed will redound to the advantage of both the American and Brazilian Navies.

The desired detail can not, in the absence of appropriate legislation, be made, in view of the explicit prohibition contained in the Constitution, Article I, section 9, clause 8, which reads as follows:

"No title of nobility shall be granted by the United States; and no person holding any office of profit or trust under them shall, without the consent of the Congress, accept of any present, emolument, office, or title of any kind whatever from any king, prince, or foreign State."

The department, therefore, has drafted and submits herewith, with its strong recommendation for your immediate and favorable consideration, a joint resolution conferring upon the President the discretionary power to grant leave of absence to not more than two naval officers for the purpose of assisting the Republic of Brazil in the work of the Naval War College of Brazil. It will be noted that the officers so absent on leave are authorized to accept employment from the Government of Brazil, with such compensation as may be agreed upon, and that while they are so absent in the service of that country they shall receive no pay or allowances from the United States Government. In order to assure the continuance of this work during such time as may be desirable, it is proposed to confer upon the President the power of substitution in case it becomes necessary for any reason to terminate the detail of an officer so employed.

As the department understands that the work of the Naval War College of Brazil is to be taken up in the immediate future, I have the honor to request that you expedite, as far as practicable, the consideration of the inclosed proposed joint resolution.

Faithfully, yours,

JOSEPHUS DANIELS,
Secretary of the Navy.

The CHAIRMAN COMMITTEE ON NAVAL AFFAIRS,
United States Senate, Washington, D. C.

Mr. THORNTON. If there be no objection to the present consideration of the joint resolution, I should like to have it considered at this time.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PENROSE:

A bill (S. 6569) granting an honorable discharge to Lawrence Lynch;

A bill (S. 6570) to appoint J. D. Nevin a second lieutenant on the active list of the United States Marine Corps; and

A bill (S. 6571) authorizing the appointment of Luther L. Martin as chief carpenter on the retired list of the United States Navy to rank with, but after, lieutenant (junior grade); to the Committee on Naval Affairs.

A bill (S. 6572) granting an honorable discharge to George W. Biggs;

A bill (S. 6573) granting an honorable discharge to George P. Sterling; and

A bill (S. 6574) granting an honorable discharge to John W. Gester; to the Committee on Military Affairs.

A bill (S. 6575) for the relief of the heirs of Joseph Medina, deceased; to the Committee on Claims.

A bill (S. 6576) granting an increase of pension to Robert F. Law (with accompanying papers);

A bill (S. 6577) granting an increase of pension to Robert J. Bingaman (with accompanying papers);

A bill (S. 6578) granting an increase of pension to Henry Reed;

A bill (S. 6579) granting a pension to Charles M. Ward;

A bill (S. 6580) granting a pension to Margaret McCarty;

A bill (S. 6581) granting an increase of pension to George Price;

A bill (S. 6582) granting an increase of pension to S. A. Wehr;

A bill (S. 6583) granting an increase of pension to S. B. McBride;

A bill (S. 6584) granting a pension to Emma A. Davis;

A bill (S. 6585) granting an increase of pension to Thomas Collins;

A bill (S. 6586) granting a pension to Henry A. Clemmens;

A bill (S. 6587) granting an increase of pension to Arthur R. Weare;

A bill (S. 6588) granting a pension to Emma W. Paye;

A bill (S. 6589) granting a pension to Lena Demozzi;
A bill (S. 6590) granting an increase of pension to James C. Welsh;
A bill (S. 6591) granting a pension to Charlotte S. Manley;
A bill (S. 6592) granting an increase of pension to Henry Lichtley;
A bill (S. 6593) granting a pension to John M. Kuntz;
A bill (S. 6594) granting an increase of pension to William D. Johnson;
A bill (S. 6595) granting an increase of pension to Harvey Haugh;
A bill (S. 6596) granting an increase of pension to Cassius P. Harvey;
A bill (S. 6597) granting an increase of pension to Patrick Devlin;
A bill (S. 6598) granting a pension to William F. Woolsey; and
A bill (S. 6599) granting a pension to J. H. Dempsey; to the Committee on Pensions.

By Mr. BORAH:
A bill (S. 6600) granting an increase of pension to Jefferson Wood (with accompanying papers); to the Committee on Pensions.

By Mr. STERLING (for Mr. CRAWFORD):
A bill (S. 6601) granting an increase of pension to Eli C. Walton (with accompaying papers); and
A bill (S. 6602) granting a pension to Oscar Gray (with accompanying papers); to the Committee on Pensions.

TRADE WITH FOREIGN NATIONS.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 18666) to authorize the United States, acting through a shipping board, to subscribe to the capital stock of a corporation to be organized under the laws of the United States or of a State thereof or of the District of Columbia to purchase, construct, equip, maintain, and operate merchant vessels in the foreign trade of the United States, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

ADDRESS BY HON. N. J. BACHELDER (S. DOC. NO. 587).

Mr. McCUMBER. I have here an address by Hon. N. J. Bachelder, former master of the National Grange and former governor of New Hampshire, delivered at the agricultural fair at Rye, N. H., October 1, 1914. It is replete with strong and important suggestions relative to the whole agricultural question. I should like to have it printed as a public document. It would be fair to say, however, before offering it as a public document that he would be dull indeed who would not observe from the general contents that it favors the Republican policies in reference to agricultural products.

The VICE PRESIDENT. Is there objection? The Chair hears none.

LITTLE KANAWHA RIVER RAILROAD, WEST VIRGINIA.

Mr. CHILTON. I submit a resolution and ask for its immediate consideration. It simply calls upon the Interstate Commerce Commission for some information concerning the management and ownership of the Little Kanawha River Railroad, a railroad running up the Little Kanawha River in West Virginia. I hope there will be no objection to the immediate consideration of the resolution.

Mr. TOWNSEND. I believe there is on the desk a resolution which comes over from a preceding day. I should like to have that resolution disposed of. Then I shall have no objection to the consideration of the resolution submitted by the Senator from West Virginia. The resolution to which I refer has been objected to once or twice, and I should like to have it considered at this time.

Mr. CHILTON. I did not object to the Senator's resolution.

Mr. TOWNSEND. I know the Senator did not.

Mr. CHILTON. Why not consider this resolution now?

Mr. TOWNSEND. I prefer to have the other resolution first considered.

Mr. CHILTON. Then the Senator from Michigan objects to the consideration of this resolution?

Mr. TOWNSEND. I do object at this time.

Mr. CHILTON. Then, Mr. President, I submit the resolution and ask that it be referred to the proper committee.

Mr. TOWNSEND. I shall not object to the resolution being considered when it comes up in its regular order.

Mr. CHILTON. But does the Senator object at this time?

Mr. TOWNSEND. At this time; yes. When we get to the regular order I shall not object.

Mr. CHILTON. I do not understand the Senator.

Mr. TOWNSEND. I shall not object to the resolution when it comes up in regular order after the morning business has been disposed of. I shall then have no objection to the consideration of the resolution.

Mr. CHILTON. I submit the resolution, and ask that it take the usual course.

The VICE PRESIDENT. The Secretary will read the resolution submitted by the Senator from West Virginia.

The resolution (S. Res. 462) was read, as follows:

Resolved, That the Interstate Commerce Commission be, and it is hereby, requested to investigate and report to the Senate as soon as possible the following:

First. What persons, firms, or corporations own the stock of the railroad running up the Little Kanawha River, in the State of West Virginia, from Parkersburg to Elizabeth, and whether or not the control of such stock is in the hands of any combination of railroads or of any trust or syndicate controlled by railroads engaged in interstate commerce.

Second. Whether or not any combination of interstate railroads, or any combination under control of interstate railroads, control the said Little Kanawha Railroad; and if so, how; and whether or not said railroad is being held for any purpose other than as a legitimate branch of commerce.

Third. All of the facts concerning the ownership, control, and management of said railroad, and whether or not it is now being held by interstate railroads for legitimate transportation purpose or is being held to tie up and prevent the development of the Little Kanawha Valley.

Mr. TOWNSEND. I withdraw my objection to the consideration of the resolution.

The VICE PRESIDENT. Is there objection to the consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

NATIONAL HOME FOR DISABLED VOLUNTEER SOLDIERS.

Mr. CHAMBERLAIN. I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 241) for the appointment of four members of the Board of Managers of the National Home for Disabled Volunteer Soldiers. I asked unanimous consent for its present consideration the other day, and the Senator from Ohio [Mr. BURTON] objected. I do not know whether or not he still objects.

Mr. BURTON. I am not disposed to object to the consideration of the joint resolution to-day. I think, however, my colleague [Mr. POMERENE] desires to be present when it is disposed of.

Mr. CHAMBERLAIN. I understand the Senator's colleague is satisfied. I will say to the Senator that if it should appear that there is any objection, I shall subsequently be too glad to have the action of the Senate reconsidered.

Mr. BURTON. My colleague on one occasion did object to the consideration of the joint resolution.

Mr. CHAMBERLAIN. He does not now object.

Mr. BURTON. Do I understand an amendment is to be proposed inserting the name of George H. Wood as one of the Board of Managers of the Home?

Mr. CHAMBERLAIN. Yes; that amendment will be proposed, I will say to the Senator from Ohio.

Mr. BURTON. I should like to address the Senate very briefly when the joint resolution comes up, but I shall occupy no long time in doing so.

Mr. TOWNSEND. Mr. President, I am going to ask for the regular order.

Mr. CHAMBERLAIN. Let me say to the Senator from Michigan that this joint resolution simply provides for the naming of the members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

Mr. TOWNSEND. I understand that, and there is no Senator in this body that I should more like to accommodate than the Senator from Oregon; but the resolution for which I desire consideration will take only a minute unless there is to be discussion of it, and if there is to be discussion it ought to be disposed of in some way. If I can have my request for the regular order granted, we can in some way dispose of the resolution in which I am interested.

The VICE PRESIDENT. The regular order has been called for. Are there further concurrent or other resolutions?

COAL LANDS IN ALASKA.

Mr. MYERS. I submit a conference report on the disagreeing votes of the two Houses upon the bill (H. R. 14233) to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes. (S. Doc. No. 586.)

Mr. SMOOT. I ask that the report be printed and lie over until to-morrow.

The VICE PRESIDENT. Without objection, it will lie over and be printed.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 14233) to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows:

In lieu of the matter proposed by the Senate insert the following:

"That the Secretary of the Interior be, and hereby is, authorized and directed to survey the lands of the United States in the Territory of Alaska known to be valuable for their deposits of coal, preference to be given first in favor of surveying lands within those areas commonly known as the Bering River, Matanuska, and Nenana coal fields, and thereafter to such areas or coal fields as lie tributary to established settlements or existing or proposed rail or water transportation lines: *Provided*, That such surveys shall be executed in accordance with existing laws and rules and regulations governing the survey of public lands. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000 for the purpose of making the surveys herein provided for, to continue available until expended: *Provided*, That any surveys heretofore made under the authority or by the approval of the Department of the Interior may be adopted and used for the purposes of this act.

"SEC. 2. That the President of the United States shall designate and reserve from use, location, sale, lease, or disposition not exceeding 5,120 acres of coal-bearing land in the Bering River field and not exceeding 7,680 acres of coal-bearing land in the Matanuska field, and not to exceed one-half of the other coal lands in Alaska: *Provided*, That the coal deposits in such reserved areas may be mined under the direction of the President when, in his opinion, the mining of such coal in such reserved areas, under the direction of the President, becomes necessary, by reason of an insufficient supply of coal at a reasonable price for the requirements of Government works, construction and operation of Government railroads, for the Navy, for national protection, or for relief from monopoly or oppressive conditions.

"SEC. 3. That the unreserved coal lands and coal deposits shall be divided by the Secretary of the Interior into leasing blocks or tracts of 40 acres each, or multiples thereof, and in such form as in the opinion of the Secretary will permit the most economical mining of the coal in such blocks, but in no case exceeding 2,560 acres in any one leasing block or tract; and thereafter, the Secretary shall offer such blocks or tracts and the coal, lignite, and associated minerals therein for leasing, and may award leases thereof through advertisement, competitive bidding, or such other methods as he may by general regulations adopt, to any person above the age of 21 years who is a citizen of the United States, or to any association of such persons, or to any corporation organized under the laws of the United States or of any State or Territory thereof: *Provided*, That a majority of the stock of such corporation shall at all times be owned and held by citizens of the United States: *And provided further*, That no railroad or common carrier shall be permitted to take or acquire through lease or permit under this act any coal or coal lands in excess of such area or quantity as may be required and used solely for its own use, and such limitation of use shall be expressed in all leases or permits issued to railroads or common carriers hereunder: *And provided further*, That any person, association, or corporation qualified to become a lessee under this act and owning any pending claim under the public-land laws to any coal lands in Alaska may, within one year from the passage of this act, enter into an arrangement with the Secretary of the Interior by which such claim shall be fully relinquished to the United States; and if, in the judgment of the Secretary of the Interior, the circumstances connected with such claim justify so doing, the moneys paid by the claimant or claimants to the United States on account of such claim shall, by direction of the Secretary of the Interior, be returned and paid over to such person, association, or corporation as a consideration for such relinquishment.

"All claims of existing rights to any of such lands in which final proof has been submitted and which are now pending before the Commissioner of the General Land Office or the Secretary of the Interior for decision shall be adjudicated within one year from the passage of this act.

"SEC. 4. That a person, association, or corporation holding a lease of coal lands under this act may, with the approval of the Secretary of the Interior and through the same procedure and upon the same terms and conditions as in the case of an original lease under this act, secure a further or new lease covering additional lands contiguous to those embraced in the original lease, but in no event shall the total area embraced in such original and new leases exceed in the aggregate 2,560 acres.

"That upon satisfactory showing by any lessee to the Secretary of the Interior that all of the workable deposits of coal within a tract covered by his or its lease will be exhausted, worked out, or removed within three years thereafter, the Secretary of the Interior may, within his decretion, lease to such lessee an additional tract of land or coal deposits, which, including the coal area remaining in the original lease, shall not exceed 2,560 acres, through the same procedure and under the same competitive conditions as in case of an original lease.

"SEC. 5. That, subject to the approval of the Secretary of the Interior, and under such rules and regulations as he may prescribe, lessees holding under leases small blocks or areas may consolidate their said leases or holdings so as to include in a single holding not to exceed 2,560 acres of contiguous lands.

"SEC. 6. That each lease shall be for such leasing block or tract of land as may be offered or applied for, not exceeding in area 2,560 acres of land, to be described by the subdivisions of the survey, and no person, association, or corporation, except as hereinafter provided, shall be permitted to take or hold any interest as a stockholder or otherwise in more than one such lease under this act, and any interest held in violation of this proviso shall be forfeited to the United States by appropriate proceedings instituted by the Attorney General for that purpose in any court of competent jurisdiction, except tnat any such ownership and interest hereby forbidden which may be acquired by descent, will, judgment, or decree may be held for one year, and not longer, after its acquisition.

"SEC. 7. That any person who shall purchase, acquire, or hold any interest in two or more such leases, except as herein provided, or who shall knowingly purchase, acquire, or hold any stock in a corporation having an interest in two or more such leases, or who shall knowingly sell or transfer to one disqualified to purchase, or except as in this act specifically provided, disqualified to acquire, any such interest, shall be deemed guilty of a felony, and upon conviction shall be punished by imprisonment for not more than three years and by a fine not exceeding $1,000: *Provided*, That any such ownership and interest hereby forbidden which may be acquired by descent, will, judgment, or decree may be held two years after its acquisition and not longer, and in case of minority or other disability such time as the court may decree.

"SEC. 8. That any director, trustee, officer, or agent of any corporation holding any interest in such a lease who shall, on behalf of such corporation, act in the purchase of any interest in another lease, or who shall knowingly act on behalf of such corporation in the sale or transfer of any such interest in any lease held by such corporation to any corporation or individual holding any interest in any such a lease, except as herein provided, shall be guilty of a felony and shall be subject to imprisonment for a term of not exceeding three years and a fine of not exceeding $1,000.

"SEC. 8a. If any of the lands or deposits leased under the provisions of this act shall be subleased, trusteed, possessed, or controlled by any device permanently, temporarily, directly, indirectly, tacitly, or in any manner whatsoever, so that they form part of or are in anywise controlled by any combination in the form of an unlawful trust, with consent of lessee, or form the subject of any contract or conspiracy in restraint of trade in the mining or selling of coal, entered into by the lessee, or of any holding of such lands by any individual, partnership, association, corporation, or control, in excess of 2,560 acres in the Territory of Alaska, the lease thereof shall be forfeited by appropriate court proceedings.

"SEC. 9. That for the privilege of mining and extracting and disposing of the coal in the lands covered by his lease the lessee shall pay to the United States such royalties as may be specified in the lease, which shall not be less than 2 cents per ton, due and payable at the end of each month succeeding that of the shipment of the coal from the mine, and an annual rental, payable at the beginning of each year, on the lands covered by such lease, at the rate of 25 cents per acre for the first year thereafter, 50 cents per acre for the second, third, fourth, and fifth years, and $1 per acre for each and every year thereafter during the continuance of the lease, except that such rental for any year shall be credited against the royalties as they accrue for that year. Leases may be for periods of not more than 50 years each, subject to renewal, on such terms and conditions as may be authorized by law at the time of such renewal.

"SEC. 10. That in order to provide for the supply of strictly local and domestic needs for fuel the Secretary of the Interior

may, under such rules and regulations as he may prescribe in advance, issue to any applicant qualified under section 3 of this act a limited license or permit granting the right to prospect for, mine, and dispose of coal belonging to the United States on specified tracts not to exceed 10 acres to any one person or association of persons in any one coal field for a period of not exceeding 10 years, on such conditions not inconsistent with this act as in his opinion will safeguard the public interest, without payment of royalty for the coal mined or for the land occupied: *Provided*, That the acquisition or holding of a lease under the preceding sections of this act shall be no bar to the acquisition, holding, or operating under the limited license in this section permitted. And the holding of such a license shall be no bar to the acquisition or holding of such a lease or interest therein.

"SEC. 11. That any lease, entry, location, occupation, or use permitted under this act shall reserve to the Government of the United States the right to grant or use such easements in, over, through, or upon the land leased, entered, located, occupied, or used as may be necessary or appropriate to the working of the same or other coal lands by or under authority of the Government and for other purposes: *Provided*, That said Secretary, in his discretion, in making any lease under this act, may reserve to the United States the right to lease, sell, or otherwise dispose of the surface of the lands embraced within such lease under existing law or laws hereafter enacted in so far as said surface is not necessary for use by the lessee in extracting and removing the deposits of coal therein. If such reservation is made, it shall be so determined before the offering of such lease.

"That the said Secretary during the life of the lease is authorized to issue such permits for easements herein provided to be reserved, and to permit the use of such other public lands in the Territory of Alaska as may be necessary for the construction and maintenance of coal washeries or other works incident to the mining or treatment of coal, which lands may be occupied and used jointly or severally by lessees or permittees, as may be determined by said Secretary.

"SEC. 12. That no lease issued under authority of this act shall be assigned or sublet except with the consent of the Secretary of the Interior. Each lease shall contain provisions for the purpose of insuring the exercise of reasonable diligence, skill, and care in the operation of said property, and for the safety and welfare of the miners and for the prevention of undue waste, including a restriction of the workday to not exceeding eight hours in any one day for underground workers, except in cases of emergency; provisions securing the workers complete freedom of purchase, requiring the payment of wages at least twice a month in lawful money of the United States, and providing proper rules and regulations to secure fair and just weighing or measurement of the coal mined by each miner, and such other provisions as are needed for the protection of the interests of the United States, for the prevention of monopoly, and for the safeguarding of the public welfare.

"SEC. 13. That the possession of any lessee of the land or coal deposits leased under this act for all purposes involving adverse claims to the leased property shall be deemed the possession of the United States, and for such purposes the lessee shall occupy the same relation to the property leased as if operated directly by the United States.

"SEC. 14. That any such lease may be forfeited and canceled by appropriate proceeding in a court of competent jurisdiction whenever the lessee fails to comply with any provision of the lease or of general regulations promulgated under this act: *Provided*, That the possession of any lessee of any lands covered by his lease and the operation of the mines and other works thereon or the title of the product thereof, shall not be interfered with by the Secretary of the Interior except after an appropriate proceeding in the district court of Alaska instituted for the purpose of securing a forfeiture or termination of such lease, and such forfeiture or termination shall take effect only from the date of entry of final judgment declaring such forfeiture or termination: *Provided further*, That such court proceedings must be instituted within 90 days after notice to the lessee of the facts constituting such cause of action, or the same shall be forever barred.

"SEC. 15. That on and after the approval of this act no lands in Alaska containing deposits of coal withdrawn from entry or sale shall be disposed of or acquired in any manner except as provided in this act: *Provided*, That the passage of this act shall not affect any proceeding now pending in the Department of the Interior, and any such proceeding may be carried to a final determination in said department notwithstanding the passage hereof: *Provided further*, That no lease shall be made, under the provisions hereof, of any land, a claim for which is pending in the Department of the Interior at the date of the passage of this act, until and unless such claim is finally disposed of by the department adversely to the claimant.

"SEC. 16. That all statements, representations, or reports required, unless otherwise specified, by the Secretary of the Interior under this act shall be upon oath and in such form and upon such blanks as the Secretary of the Interior may require.

"SEC. 17. That the Secretary of the Interior is authorized to prescribe the necessary and proper rules and regulations and to do any and all things necessary to carry out and accomplish the purposes of this act.

"SEC. 18. That all acts and parts of acts in conflict herewith are hereby repealed."

And the Senate agree to the same.

H. L. MYERS,
M. A. SMITH,
Managers on the part of the Senate.
SCOTT FERRIS,
JAMES M. GRAHAM,
IRVINE L. LENROOT,
Managers on the part of the House.

AUTO TRUCKS FOR THE POSTAL SERVICE.

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a preceding day, which will be read.

The Secretary read the resolution (S. Res. 459) submitted by Mr. TOWNSEND September 28 (calendar day October 2, 1914), as follows:

Resolved, That the Postmaster General be, and hereby is, directed to send to the Senate at the earliest possible date, all information in his possession or in the possession of the Post Office Department in any manner bearing upon the action of the department in inviting the manufacturers of auto trucks, some time prior to the 8th day of September, 1914, to submit bids for supplying such trucks for the use of said department.

Such information to include the department's invitation to bidders; copies or originals of the respective bids received; the action of the department in forming a committee to pass upon the bids; how, by whom appointed, and under what instructions the committee acted, as well as the names of the individuals composing said committee; the full report of the committee and the reasons for its award of contract or contracts to other than the lowest responsible bidder, if such awards were made, and all correspondence or facts that will tend to give the fullest possible information regarding this transaction.

The VICE PRESIDENT. The question is on agreeing to the resolution.

Mr. BRYAN. Mr. President, I should like to inquire of the Senator from Michigan what is the purpose of this resolution? Has the Senator reason to believe that anything wrong has been done in the letting of contracts by the department?

Mr. TOWNSEND. Mr. President, the Senator from Michigan has reason to believe that things were done in reference to the letting of this contract which, with such information as the public now possesses, are very difficult to understand.

The fact of the matter is, as I understand and as I learned from the purchasing agent, that some time ago bids were invited for the furnishing of a certain number of automobile trucks for the Post Office Department. Specifications were sent out with the clear understanding that the lowest responsible bidder would receive the award. The bids were opened on the 8th day of September, as I recall. There were forty-odd bidders. Agents came here from all over the United States to be present at the opening of the bids. They were submitted to a committee of five, one from each of the divisions of the Post Office Department and one from the purchasing agent's office. Report has it that this committee submitted their findings to the Postmaster General, and that he did not follow its recommendations; that the findings were sent back to the committee; that another report was made; that half of that was rejected; and that the contract was let to the White Co., of New York or Cleveland. The bid of the White Co. for one class of cars was eighteenth above that of the lowest bidder, and in another class it was twenty-eighth, as I recall it, above that of the lowest bidder. I am speaking largely from statements that have come to me from the bidders and from what I have gleaned from the purchasing agent, who knew nothing personally about the awards, as the matter was not left in his hands.

I did not care to discuss this matter or to cast any reflections at all until full information was obtained. All I wanted was the facts, in order to be able to answer the people who have a right to know what course the department followed in letting this contract. That the award was irregular I have no doubt. I hope the record will show nothing worse.

Mr. BRYAN. Has the Senator made any inquiry of the department?

Mr. TOWNSEND. I wrote a letter to the department asking about this matter, and it admitted that the contract had been let to the White Co. It stated that there were a number of

White machines in the service now, and that the department thought it best to purchase other machines of the same company. They did not answer my question as to why they had put the manufacturers of automobile trucks all over the country to thousands of dollars of expense—and it amounted to that—to come down here to be present at the opening of bids when it was predetermined that the contract would be awarded not to the lowest bidder but to the White Co., which was far from the lowest bidder. There was no explanation of the apparent fact that several thousand dollars more had been paid for the White trucks than would have been necessary to purchase trucks of exactly similar specifications from other responsible companies.

Mr. BRYAN. How many trucks were purchased?

Mr. TOWNSEND. I believe six were finally purchased.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

NATIONAL HOME FOR DISABLED VOLUNTEER SOLDIERS.

Mr. CHAMBERLAIN. I ask unanimous consent for the consideration of the joint resolution (H. J. Res. 241) for the appointment of four members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

Mr. BORAH. Mr. President, I desire to call attention to a matter before the morning hour shall close; but if the Senator from Oregon has a resolution which he desires to dispose of, I will give way for a moment.

Mr. CHAMBERLAIN. I will say to the Senator that the urgency for the consideration of the joint resolution grows out of the fact that the Board of Managers of the National Home for Disabled Volunteer Soldiers is incomplete now, and can not transact business.

Mr. BORAH. Will there be any discussion of the joint resolution?

Mr. BURTON. I wish to be heard briefly upon it.

Mr. CHAMBERLAIN. How long will the Senator take?

Mr. BURTON. Not over 5 minutes.

Mr. BORAH. I will yield in order that the Senator from Oregon may secure consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee on the Whole, proceeded to consider the joint resolution (H. J. Res. 241) for the appointment of four members of the Board of Managers of the National Home for Disabled Volunteer Soldiers, which had been reported from the Committee on Military Affairs with an amendment.

Mr. CHAMBERLAIN. There are two or three amendments I desire to propose to the joint resolution.

The VICE PRESIDENT. The amendment proposed by the committee will be stated.

The SECRETARY. On page 1, line 3, after the name "Illinois," it is proposed to strike out "George H. Wood, of Ohio," and to insert "John C. Nelson, of Indiana."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. CHAMBERLAIN. I desire to state that that was the committee amendment. I am authorized to move to further amend the committee amendment, but I presume the motion will be in order after the committee amendment has been adopted.

The VICE PRESIDENT. Oh, no.

Mr. SMITH of Michigan. If the Senator will pardon me, in this plan is it contemplated by the Senator from Oregon that efficient, honorable, and painstaking representatives who are now on this board shall be succeeded by Democrats?

Mr. CHAMBERLAIN. If the Senator will listen to the amendments to be proposed, he will find that the name of Mr. George H. Wood will be restored to the joint resolution; and in addition to that——

Mr. SMITH of Michigan. Is he one of the present managers?

Mr. CHAMBERLAIN. No; he is not.

Mr. BURTON. He is not one of the members of the present board.

Mr. CHAMBERLAIN. The purpose of the amendment is to increase the membership to five by inserting the name of Mr. Wood.

Mr. SMITH of Michigan. Will the Senator name the other gentleman whose name is to be inserted?

Mr. CHAMBERLAIN. The other gentleman named in the proposed amendment of the committee is John C. Nelson.

Mr. SMITH of Michigan. Does the Senator know the new man? Is he a Democrat?

Mr. CHAMBERLAIN. I will say to the Senator that I really do not know the politics of any of these men. The joint resolution came from the House containing the names of James S. Catherwood, George H. Wood, Frederick J. Close, and Thomas S. Bridgham. Those were the names in the joint resolution as it came over to us from the House, and those names were selected by the House.

Mr. SMITH of Michigan. What I say about this matter is not intended to reveal any hostility to Democrats as such, but, Mr. President, I should dislike very much to see this board made partisan. I do not think that would be to our credit and I would not consent to such a plan.

Mr. CHAMBERLAIN. I am frank to say to the Senator that I do not know the politics of any of these gentlemen. They were named in the House; the joint resolution came to the Senate, and the Senate committee amended it by striking out the name of George H. Wood and inserting the name of John C. Nelson. I will say to the Senator it is now proposed to reinsert the name of George H. Wood and to add the name of John C. Nelson, so that there will be five appointees instead of four as provided for in the joint resolution as passed by the House.

Mr. SMITH of Michigan. Have these names been chosen by the Committee on Military Affairs?

Mr. CHAMBERLAIN. They were chosen by the House.

Mr. SMITH of Michigan. The House Committee on Military Affairs?

Mr. CHAMBERLAIN. Yes, sir.

Mr. SMITH of Michigan. And concurred in by the Senate Committee on Military Affairs?

Mr. CHAMBERLAIN. The resolution when it came from the House was referred to the Committee on Military Affairs.

Mr. SMITH of Michigan. I do not wish to intrude into the affairs of the Military Committee; I have no doubt its members are actuated by very worthy motives; but I think that we are getting a pretty strong representation of partisans on most of the boards which have recently been authorized.

Mr. CHAMBERLAIN. Does the Senator know the politics of any of these gentlemen? I do not.

Mr. SMITH of Michigan. No; but we have just created the Federal Reserve Board, supposed to be nonpartisan, whose functions rise far above the political horizon and relate to the welfare of the whole country, and I have been looking very diligently to find the Republican representation on that board. Partisanship is unbecoming in such a sphere, and I regret to see the President fill these places with Democrats alone.

Mr. KERN. Mr. President, I should like to suggest that I have been looking rather carefully to ascertain whether or not Democrats have had much representation on them.

Mr. SMITH of Michigan. They were appointed by the President from among his most active supporters.

Mr. O'GORMAN. Mr. President, may I say a word?

Mr. SMITH of Michigan. So far as I am able to do so, I yield to the Senator from New York.

Mr. CHAMBERLAIN. I yield to the Senator from New York.

Mr. O'GORMAN. The gentleman appointed from the State of New York on the Federal Reserve Board testified that his political activities, whatever they had been, had always been for the Republican Party. I refer to Mr. Warburg.

Mr. SMITH of Michigan. I think he also said that he never had been active.

Mr. SMOOT. And had never voted.

Mr. SMITH of Michigan. As my recollection goes, he said he had never even take the trouble to vote, although he is able and honorable.

Mr. O'GORMAN. My impression is that he had aided the Republican Party in other ways.

Mr. SMITH of Michigan. Was he rewarded in this manner for his silence and failure to comply with the usual duties of citizenship, or was it because he was the only man who could be found to answer to that description, or because of the contributions of his firm to the Wilson campaign fund?

Mr. O'GORMAN. No; he was selected, I believe, because of his peculiar qualifications for the work in question; and in making the selection the President was not influenced by partisan considerations.

Mr. CHAMBERLAIN. Mr. President, I hope the Senator from Michigan will not interject that question in here, because this is really an urgent matter.

Mr. SMITH of Michigan. I would not inject any partisanship into this matter if I could, and I have no disposition to do so to-day when everything seems to be running along so harmoniously on the other side of the Chamber. I do not know that I shall object to the passage of the joint resolution, but I would object very seriously to its passage if an attempt is made to make this board which has the control and direction of the National Home for Disabled Volunteer Soldiers partisan.

Mr. CHAMBERLAIN. Let me say to the Senator that the only question that has held up this joint resolution for so long is a sort of dispute between the Senators from Indiana and the Senators from Ohio. We thought we had overcome the difficulty by an amendment which would meet their objection. I will say that I have not heard the politics of any of these gentlemen discussed at any time.

Mr. SMOOT. Does the Senator mean they got the men whom they desired appointed named in the joint resolution?

Mr. CHAMBERLAIN. It is unfair for the Senator to suggest that. The fact is the Senators from Ohio thought that Mr. Wood ought to be on the board, and there arose a dispute about it. There is no reason why both men should not be on the board, as they are both good men.

Mr. BURTON. Mr. President, if the Senator from Oregon will permit me, so far as I am concerned there has been no controversy in regard to the men. I do not look with favor on the proposed change in the personnel of the board, and I wish to be heard briefly on it at the proper time.

Mr. KERN. Mr. President, if the Senator will allow me——

Mr. CHAMBERLAIN. I yield to the Senator from Indiana.

Mr. KERN. The controversy grew up somewhat in this way: Col. Nelson, of Indiana, was named originally by the House committee. He was a distinguished Union soldier, who served throughout the war with the rank of captain, one of the leading citizens of Logansport, a man who has taken no interest in politics for years. The last I heard of him was in 1896, when he was a gold Democrat. I understand, however, that he generally affiliates with the Democratic Party, but he is a man whom no one regards as a politician. He is a high-grade, honorable gentleman, and a representative Union soldier. The proposition then was to substitute the name of a Spanish War veteran, Col. Wood, of Ohio, a very estimable man, in place of Col. Nelson, and that was finally done by the House. I insisted that this gallant old Union veteran, one of the best citizens of Indiana, should not be sidetracked for a soldier of a later war, against whom nothing in the world could be said, and so finally it was agreed that the service would not be impaired in any way by appointing both men on the board.

Mr. WARREN. Mr. President, may I ask a question of my colleague on the committee? I was out for a moment when the joint resolution was called up. How many appointees are proposed by the joint resolution?

Mr. CHAMBERLAIN. As it is proposed to be amended it names five.

Mr. WARREN. What will be the total number?

Mr. CHAMBERLAIN. There will be seven on the full board.

Mr. WARREN. The Senator probably remembers—I want to refresh my memory about it—the legislation had a year or two ago, which proposed to do away with this board, and, which, if I remember rightly, provided that as each member's time expired the office should cease, and at the end it should be turned over to the War Department for management under the Secretary of War. Am I correct about that?

Mr. CHAMBERLAIN. The report calls attention to that resolution.

Mr. WARREN. If the Senator will bear with me—I did not happen to be present when this resolution was considered in the committee—what are the terms of these appointees?

Mr. CHAMBERLAIN. I really forget the terms of office. I did know at the time the joint resolution was considered by the committee, but I do not now recall the number.

Mr. WARREN. Do these appointments agree with the movement that was made in the legislation suggested a year or two ago?

Mr. CHAMBERLAIN. I hardly think so, because that resolution provided that when the board was finally reduced to five there should not be any members in excess of that number; but the effect of this resolution, if passed, would be to repeal that, by implication, at least, and to appoint these men.

Mr. BORAH. Since our good friends on the other side have limited us to an hour to transact the business this morning, if it is their purpose to consume that hour I hope they will be so generous as to extend the time for 10 or 15 minutes.

Mr. CHAMBERLAIN. I do not think there will be any objection to that from this side.

Mr. WARREN. I wish to make one more inquiry. The old system provided for one member for each of the great national homes. After great discussion, especially in conference between the House and the Senate over this movement, it was determined, or, at least, that was the idea of the legislation, that unless there was a continuance of a member for each home—and so far as the old soldiers of the Civil War were concerned, they were getting to be very few—the number ought to be cut down, and finally have it lodged with the Secretary of War. Does the Senator think, if we are going to enlarge the number and amend that law, that we ought to stop short of the original number, the 10?

Mr. CHAMBERLAIN. I think we could do that. It is just a question of policy.

Mr. WEST. Is any salary carried by this appointment?

Mr. CHAMBERLAIN. The members are only paid their expenses, I think, except the president of the board, who is really the acting head of it.

Mr. WARREN. That is correct.

The VICE PRESIDENT. The question is on the first amendment proposed by the committee.

Mr. CHAMBERLAIN. I ask that the first amendment be not agreed to.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 1, line 3, after the word "Illinois," it is proposed to strike out "George H. Wood, of Ohio," and insert "John C. Nelson, of Indiana."

The amendment was rejected.

Mr. CHAMBERLAIN. On page 1, line 4, after the words "of Ohio," I move to insert "John C. Nelson, of Indiana."

The amendment was agreed to.

Mr. CHAMBERLAIN. There is another amendment on page 2 of the bill.

The SECRETARY. On page 2, line 1, after the word "*Provided*," it is proposed to strike out "Four" and insert "Five"; and after the word "members," to strike out "of said board," so as to read:

Provided, Five members shall constitute a quorum for the transaction of business at any regular or special meeting thereof.

The amendment was agreed to.

Mr. CHAMBERLAIN. I should like to have inserted, after the word "accepted," on page 2, line 1, the words "and John M. Holley, deceased."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. After the word "accepted," in line 1, page 2, it is proposed to insert the words "and John M. Holley, deceased."

The amendment was agreed to.

The VICE PRESIDENT. The joint resolution is in Committee of the Whole and still open to amendment.

Mr. BURTON. Mr. President, I do not at all question the good faith of the Committee on Military Affairs of the Senate, and there is no doubt that the members selected for the Board of Managers of the Soldiers' Homes are men of excellent character and ability; but this proposed action, coming to us in the form of a resolution from the House, is certainly open to the charge of partisanship.

In the selection of the Board of Managers of the Soldiers' Home in the past no political considerations have been allowed to have weight. It is true that the majority of the members have been Republicans. There was at least one member, however, from my own State—Gen. Anderson—who held office not only for the allotted six years but until his death, who was prominent in Democratic politics. But what appears here? Three Republicans, well known as such—Oscar M. Gottschall, of Ohio; William Warner, of Missouri, for six years a Member of this body; and Franklin Murphy, of New Jersey, formerly governor, all of them Republicans—together with another member, who is deceased, whose politics I do not know, are to be superseded by four Democrats, one of them an appointee of the Democratic governor of Ohio.

I recognize that it is in the power of the Democratic majority to pass this resolution. They have the responsibility for appointments and the general conduct of affairs, and while at times I have objected to this resolution, I am not disposed to continue my objection. I do wish, at least, to state, however, that the course of this board of managers will be very carefully scrutinized in future. It would be in their power, now that there is a Democratic majority, to reorganize the official force in the respective soldiers' homes. I think in the soldiers' home in my own State, at Dayton, there are as many as 500 employees. I have received a promise from one of the prospective members who is to be appointed here that he will entirely ignore political considerations; that he will not listen to the dictates of any Democratic boss or leader in the making of appointments. Certainly in the years in which I have been associated with politics in Ohio I do not recall ever having made a recommendation for an appointment in that soldiers' home, and I trust the same standard may be observed now that the board of managers is under the control of Democrats.

I do not so much object to their politics, but I have some degree of apprehension that this selection of four Democrats means a reorganization of the respective soldiers' homes, in their management, along political lines. I wish to state here

that the course of the management, in the performance of the duties intrusted to them, certainly will be very carefully watched.

Mr. CHAMBERLAIN. Mr. President, I think the Secretary and I did not understand each other. After the word "*Provided*," I proposed the following amendment:

Said board, after the passage of this resolution, shall be composed of seven members, and.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to insert, on page 2, line 1, after the word "*Provided*," the following words:

Said board, after the passage of this resolution, shall be composed of seven members, and.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended so as to read: "A joint resolution for the appointment of five members of the Board of Managers of the National Home for Disabled Volunteer Soldiers."

COTTON SITUATION IN THE SOUTH.

Mr. BANKHEAD. Mr. President, I gave notice that I would address the Senate to-day, immediately after the morning business, on the cotton situation in the South. Inasmuch as the Senate has decided to adjourn at 1 o'clock, I desire to give notice that on to-morrow, immediately after the conclusion of the morning business, I shall address the Senate.

HOUR OF ADJOURNMENT.

Mr. BORAH. I ask the Senator from Indiana if he will not move for a reconsideration of his motion, so that we may have until half past 1 o'clock to-day.

Mr. KERN. I move that the vote be reconsidered by which the Senate agreed to adjourn at 1 o'clock to-day.

The motion to reconsider was agreed to.

Mr. KERN. I will say that the motion is made with the understanding that as soon as the Senator from Idaho concludes his remarks the Senate will adjourn. That is the understanding.

WILHELMINA ROHE.

Mr. O'GORMAN. I ask unanimous consent for the present consideration of House bill 11166. It gives a pensionable status to Mrs. Wilhelmina Rohe, the widow of a soldier who lost his life in Japan 13 years ago. He was a private. He disappeared, and some few days afterwards a body was found near by. There was some question as to whether it was that of the missing soldier. The department has no objection to the passage of the bill. It has been passed by the House, and has the recommendation of the Committee on Military Affairs.

The VICE PRESIDENT. The bill will be read.

The bill was read, as follows:

Be it enacted, etc., That in the administration of the pension laws John Rohe shall be hereafter held and considered to have been drowned in Nagasaki Harbor, Japan, on the 20th day of March, 1901, in line of duty and while in the service of the United States as a private in Company M, Twenty-sixth Regiment United States Volunteer Infantry.

Mr. BRYAN. Mr. President, has the Senator read the report of the department containing a letter from The Adjutant General?

Mr. O'GORMAN. I have it before me.

Mr. BRYAN. Does the Senator find any place there where it is made evident that the body found was the body of this soldier?

Mr. O'GORMAN. I read from next to the last paragraph of a letter sent by Gen. Andrews, The Adjutant General:

A consideration of the facts recited indicates that there is merit in the case, and that the matter may be so presented to Congress as to warrant the favorable action desired.

Then, in the last sentence of the last paragraph, it is stated, in substance, that a bill proposing legislation to the effect that the principal "shall hereafter be held and considered" to have been discharged or killed or drowned, as the case may be, has not been found to be objectionable.

Mr. BRYAN. I think I shall have to object to the consideration of the bill at this time.

Mr. O'GORMAN. I am very sorry the Senator takes that attitude, particularly after the Military Affairs Committee has unanimously approved the bill.

Mr. BRYAN. Mr. President, it has been some time since I read the report of the committee, but there is no evidence at all there to show whether this man deserted or was drowned or was killed or what became of him. He may be living yet, a deserter from the Army of the United States, and we are solemnly to declare here that he shall be considered to have been drowned.

Mr. WARREN. Will the Senator withhold his objection for a moment?

Mr. BRYAN. We do not know whether he was drowned or not. There is no evidence here to show that he has been drowned. There is no evidence but that he is living to-day.

Mr. O'GORMAN. The fact is that he was reported missing on March 20, 1901, from the camp occupied by the Twenty-sixth United States Infantry at Japan. He has not been seen since. On April 3 following, about two weeks later, a man's body was found clad in a United States soldier's uniform in the bay near Nagasaki, close to the point where he disappeared. While the body was not actually identified as being that of Rohe, its state of decomposition making it impossible definitely to recognize the body, the indications were that the body was that of the missing soldier.

Mr. WARREN. Will the Senator from New York yield to me for a moment?

Mr. O'GORMAN. I yield.

Mr. WARREN. I desire to say, in regard to this case, that the evidence was carefully examined by the subcommittee having it in charge, and every circumstance seemed to indicate the death of the soldier by drowning.

In the first place, it was discovered that the soldier whose body was found had on a nearly new uniform, and the records show that Rohe had drawn a new uniform but a short time before that.

In the next place, it was shown that he was on the vessel with other troops prior to this time; that no other soldier of that command was missing; and while the withdrawal of those troops of course left it so that direct evidence from his comrades could not be had, the later advices from his comrades after they arrived on this side, the short time that elapsed between the time he was known to be in the service and the time of his disappearance, the fact of his new uniform, and the fact that no other soldier was missing at the time, give every presumption that the man was drowned, as set forth in the report.

Mr. SHAFROTH. Mr. President, I will ask the Senator from New York if it is not a fact that under the common law, in case of absence for seven years without being heard from, the person is presumed to be dead?

Mr. O'GORMAN. That presumption is indulged in and respected by nearly every court in this country.

Mr. BRYAN. Suppose he is dead; where is the evidence that he was drowned? Where is the evidence that he died in the line of duty? If he died in the line of duty we do not need to pass any legislation. The department will pay his widow a pension. This bill comes here because the department can not see its way clear to arrive at the conclusion that he was drowned. That is the trouble.

You have two difficulties here. In the first place, there is a question whether the body found was the body of this soldier. Upon that question it is said that the soldier had on practically new clothes and that the clothes found upon this body were new clothes; but, going further to identify him, it is said that Rohe had sound teeth, while there were 10 teeth missing from the body of the man that was found. Then, again, a Japanese officer reported that the death of the individual whose body was found was accidental and occurred about March 22, 1901.

The origin of death was not certain; probably it was by suicide. So you have not identification sufficient to show that the man is dead at all; and then, again, there is no proof whatever that he died in the line of duty. If he was a suicide, as a matter of course his widow is not entitled to a pension. That is the reason why I object to the consideration of the bill. I do not think the case is made. If he did die by drowning and the department can justly come to that conclusion, there is no necessity for this bill.

Mr. WARREN. No; the department can not come to that conclusion. It states that this can only be effected by legislation.

Mr. BRYAN. What is the reason? The department says:

The department has not undertaken to decide that the body found was not the body of Rohe, but it has taken the ground that in the absence of definite and conclusive evidence of the identity of the remains as those of Rohe, and of his death while in the line of his duty as a soldier, it is not justified by any process of elimination or otherwise in reaching the conclusion that the charge of desertion recorded against him is erroneous, or that he died while in the military service of the United States.

Mr. O'GORMAN. Mr. President, I desire to repeat the statement made by The Adjutant General, who examined into this case:

From evidence presented to this department it appears that there is considerable reason for believing that the body found was that of Rohe,

The soldier was missing for 10 or 15 days before the discovery of the body.

This matter has received the attention of the Committee on Military Affairs of the House; it has received the approval of that committee and of the House itself; it has been investigated by the Committee on Military Affairs of this body and has had its approval, and it is difficult to discover anything to justify opposition to the passage of such a meritorious bill under the circumstances as disclosed by this record.

Mr. BRYAN. Of course, the bill never had any business to go to the Committee on Military Affairs of the House or the Committee on Military Affairs of the Senate. It is purely a bill providing for a pension. It may be supposed that the Committee on Pensions, liberal as they are, could not see their way clear to do this, and it was taken to another committee. But it does not make any difference what committee reports it, there is no evidence here upon which we can base a vote in its favor. I do not think the bill ought to pass.

Mr. O'GORMAN. Do I understand that the Senator from Florida has withdrawn his objection to the consideration of the bill? If the Senator has not withdrawn objection to unanimous consent, I move that the Senate proceed to the consideration of the bill.

The VICE PRESIDENT. The question is on the motion of the Senator from New York.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 11166) for the relief of Wilhelmina Rohe.

The VICE PRESIDENT. The bill has been read. If there be no amendment, as in Committee of the Whole, the bill will be reported to the Senate.

Mr. SMOOT. Mr. President, just one word. I have not had time to look at the report and I have only heard partially what has been said this morning, but if it is a bill placing the widow of a soldier on the pension roll it ought to have been sent to the Committee on Pensions. It has no right to be considered by any other committee.

Mr. WARREN. Will the Senator from Utah allow me?

Mr. SMOOT. Certainly.

Mr. WARREN. This bill is to correct the military record, and such bills always go to the Committee on Military Affairs. When it comes to the matter of a pension the department will pass upon the question whether there ought to be a pension granted or not. If the bill passes, the Pension Bureau will look after that, and if it should again come before Congress as a bill pensioning the widow it would naturally go to the Committee on Pensions. This bill has no possible relation to the Committee on Pensions, in the first instance, because it is a matter of correcting the military record.

Mr. SMOOT. As I said, I have not had time even to read the bill, and I inferred from what I heard of the discussion that it is purely a pension matter. If so, it should have gone, of course, to the Committee on Pensions. I will admit that what the Senator from Wyoming says is true, that if it is to correct the military record of a soldier it should go to the Committee on Military Affairs. Therefore, what I was going to say, if that be the case, will be unnecessary at this time.

Mr. BRYAN. Mr. President, in justification of what I have said I want to say that the letter of The Adjutant General states that there were two members of the regiment who left the ship, and it was supposed that they had deserted. Rohe never rejoined it. The Adjutant General does not say whether the other man ever did or not. Instead of saying "shall be hereafter held and considered to have been drowned" I think it would be more justifiable to say "to have died in the line of duty." There is no evidence at all that he was drowned. But the effect will be the same, and I will not make a motion to amend the bill. The widow will get a pension whether he was drowned or not, and whether he is dead or not.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EMPLOYEES OF RAILWAY MAIL SERVICE.

Mr. BORAH. Mr. President, a few days ago I called the attention of the Senate to what purported to be a statement upon the part of Alexander H. Stephens, General Superintendent of the Railway Mail Service, in a speech which he delivered at Indianapolis, Ind. I expressed some doubt at the time as to whether or not Mr. Stephens had been correctly reported. The statement seemed exceptional and almost incredible. But since that time I have received a copy of the Railway Post Office, a monthly published by the Railway Mail Association, at Cleveland, Ohio, and under date of September 19, 1914, there appears to be a complete report of his speech. I no longer have any doubt as to the fact that he used this language, and I shall act upon that conviction until the language is disavowed or disproved.

This incident arises from the signing of petitions on the part of employees of the Railway Mail Service concerning a certain bill which is now pending before the Senate, or rather which has been introduced and is now before the committee. In view of the language of Mr. Stephens and his conduct, I wish to read the body of this petition. I think the Senate will see that it is expressed in moderate terms and could be offensive to no one. I will say, however, that I did not draw this petition, neither did I know it was being circulated, but it is a petition which, as I take it, is clothed in proper language. It could not offend the most sensitive. It could only disturb those who have no answer but power to punish those who differ from them.

To the Members of the United States Senate in Congress assembled:

We, the undersigned, members of the Railway Mail Service, desire to call your attention and ask your support of a bill introduced by Senator WILLIAM E. BORAH (Senate bill 5826) to do away with "speeding up," or, as he has put it, "stop-watch methods," in the Government service.

We have been furnishing data on "speed tests" for some time, and while we do not object seriously to the extra work involved in getting this data for the records of the Post Office Department, we do object to having it used to our own disadvantage. That it is going to be so used is evident from the fact that we are charged with demerit marks if we do not show a certain speed.

In our service the amount of work to be done on any trip is influenced by so many and such varying conditions that no fixed standard amount of work can avoid working hardships on the clerks and to the detriment of the service.

Senator BORAH'S bill, if passed, will make it impossible for the department to establish such a standard.

We assure you that the passing of this law will lessen the feeling of uneasiness and discontent in our branch of the Government service.

That is the petition in its entirety. In discussing this matter Mr. Stephens is reported in this speech as having said:

And let me tell you that anybody that signs that petition with that statement is up before the general superintendent of this service for removal for lying. Tell your fellow clerks that. I do not think any of you gentlemen in Indianapolis have signed that petition, but whoever signs it is going to come up before the general superintendent for removal.

Again he says—and I invite the particular attention of those who may be in close communication with the Postmaster General to this statement:

I have the power and the authority and the inclination and the decision to remove that man from the service.

I do not assume, of course, that the Postmaster General has authorized Mr. Stephens to make any such statement, but I am wondering where Mr. Stephens got authority to say that he has "the power and the authority and the inclination and the decision" to remove the man from the service for the mere fact of signing a respectfully written petition concerning a measure in which the particular individual signing the petition might be himself interested. It would be in violation of the civil-service law, in defiance of both the letter and spirit, and he would not assume to have any such authority, it would seem, unless he had been authorized by those above him who would protect him. Mr. Stephens's language can have no other construction than that the Postmaster General will connive at and aid in violating the civil-service law and in punishing employees for the exercise of a most fundamental right of citizenship.

I do not know that that is true; but either Mr. Stephens should explain his language and disavow this statement or the inference must follow that the Postmaster General has authorized him to make such a statement.

Mr. President, since this address was delivered I have received a great many letters from different parties who signed the petition, and while I am not going to insert the names signed to these letters and subject these men to the surveillance and to the impudent interference of this tyrannizing satellite of bureaucracy, I am going to read enough of them to show the effect his statement has had. This letter says:

I am taking the liberty of writing you in regard to the bill relating to doing away with the speed test in the Railway Mail Service. My name appears on what I now believe may be one of those petitions, and I take this means of respectfully asking you to strike my name off the petition. I am inclosing you a stock envelope by which I hope to be favored with a propitious reply.

Another writer from another State says:

Recently petitions to Congress urging the enactment into law of your bill, Senate bill No. 5826, which would do away with "speed tests" that are being applied to the Government service, were circulated among railway postal clerks.

I signed one of these petitions, because I felt sure that the speed test would not be a practical demonstration of a clerk's ability, as it was proposed and is administered. Subsequent events have only strengthened my convictions. The speed test is a theory that works well on paper but not in actual practice.

However, our general superintendent, A. H. Stephens, in a recent speech to railway postal clerks, which is published in our official organ, the Railway Post Office, for the month of September, says he has "the power and the authority and the inclination and the decision" to remove from the service every clerk who signed the petition. Although

I deny the general superintendent's charge that the petition is a lie and while I deny that he has any just cause for my removal, still I believe that he has the whip hand and could remove me on one charge or another, fancied, if not real.

Therefore you will please remove my name from the said petition.

While my sympathies are with your bill and I hope it becomes law, yet I can ill afford to lose my position.

For that reason and that reason alone I desire you to at least withhold my name.

Wishing you success, I am,

Very respectfully—

And so forth.

Another letter from a different part of the country reads as follows:

DEAR SIR: I would most respectfully request that my name be erased from a recent petition forwarded you in support of your bill to abolish what is known as the speed test in the Railway Mail Service.

Not that I am not in full sympathy with and indorse your bill, but recent public statements of the General Superintendent of the Railway Mail Service places in jeopardy the position of every clerk who attaches his name to the petition sent you. While I feel fully satisfied that the Superintendent of the Railway Mail Service will not directly remove a man for exercising a right guaranteed him by the Constitution of the United States and vouchsafed by a recent act of Congress, yet when once in possession of the names of the clerks who signed the petition in question, methods could be devised to secure their removal without the necessity of having to give the signing of this petition as a reason therefor. Against such a contingency, what chance has a clerk to feel sure of his position?

I have given the best part of my life—and my record will show that I have given it faithfully and conscientiously—to the Railway Mail Service, and with a wife and family dependent upon me for support I can not afford to take the chance of being summarily removed.

For these reasons alone I wish to withdraw my name.

Mr. President, could anything be more intolerable or indefensible than just that condition of affairs? We have upon the statute books of the United States an express provision of law providing that these employees and similar employees may have the right to petition Congress. It would hardly be supposed that it would ever be necessary to place that rule in the crystallized form of a statute in view of the fundamental and essential principles of our Government and the charter under which we live. But, nevertheless, we did as an additional guaranty and an additional safeguard enact into the law of August 24, 1912, that they should have this right, the inference and the logic being that they should not be interfered with or disturbed by reason of the exercise of the right. Yet by the signing of a most respectfully couched petition concerning a matter in which they are gravely interested, and about which their judgment ought to be always considered, they are informed by the Superintendent of the Railway Mail Service that he is authorized, not only authorized but determined, to remove them.

But we not only have, Mr. President, this statute and the law of the land, but I am also going to read an expression of view from one of the noted works of modern fiction—the Democratic platform. It says, as adopted at Baltimore:

We also recognize the right of direct petition to Congress by employees for the redress of grievances.

Mr. President, there are numerous letters here which I might insert in the RECORD, but I have read enough to show the situation. I introduce these in the RECORD for the purpose of inviting to its reading the attention of the Postmaster General, and I further put them in the RECORD for the purpose of inviting the attention of the President of the United States. If this remains unchallenged, and this language of Mr. Stephens is not disavowed, if it is permitted to stand as it now is, we must accept the proposition that this administration is willing, in the face of the plainest and most uncontroverted principles of free government and in the face of their platform pledges, to see men thus harassed and punished and denied their simplest rights. I shall wait with interest, for this is not a trivial matter and will not be permitted to rest unless disavowed.

It is difficult to realize that we have traveled thus far already, Mr. President, on this blighting, vicious, undermining, sapping system of bureaucracy. Citizens of a great Republic, interested in a matter of proposed legislation, are deprived of their right to express themselves concerning it, even in a most orderly and respectable way, and are deprived of that right by a mere petty, impudent, time-serving, slavish, coarse-grained, cowardly attaché of bureaucracy. These men, as one can not doubt from their letters, feel sincerely in regard to this matter, and the fact that they may be right or may be wrong as to their views can not, on the question of their right to express themselves, have any relevancy whatever. But notwithstanding their interests and their views, they feel that they can not risk annoyance and punishment, can not risk being pushed out of a position and their families subjected to want and suffering, and therefore yield to the situation—give up their right to have a say or a voice in the matter of deepest concern to them as citizens. They are in effect disfranchised; they are robbed of their first right as citizens, as supporters and taxpayers of the Government, as law-abiding, home-loving citizens, and robbed of this right by an arbitrary, bullying, vicious, and unconscionable overemployee of the Government.

The first impulse and the first instinct of a gentleman is to be considerate, thoughtful, and tolerant of the interests and views of those who chance to be below him in the struggle of life. No man unmindful of the rights of his fellow man or intolerant as to the plainest privileges of citizenship has sufficient moral fiber left in his being to represent this Republic in any capacity whatever.

A man loyal to our institutions, sensitive in the slightest degree to the admonitions which come to those who would see them preserved, will respect the rights of the humblest and most dependent as quickly as the rights of the strong and the powerful. One who would brutalize the feelings of those who can not except at great cost protect their interests is to be distrusted, for he possesses neither the sense of justice nor the conception of manhood indispensable to a trusted employee of the Government. These men, sir, are under him; they are at his mercy. The civil-service law would be futile to protect them. For entertaining such narrow, vicious, and vindictive feelings there is no falsehood he would not father, no slander he would not propagate to bring them within the rules of the civil service and within the pale of his splenetic and revengeful purpose.

Now, Mr. President, these employees need take no further risk. Their situation is fully understood; whatever merit this bill has will be fully presented and made known. If it has sufficient merit to commend itself to the Congress, it will become a law. If there is any one argument, however, which stands out more strongly in its favor than any other, it is that these men are to be speeded up and tested under the supervision and gaze of a man who seems to think that they are slaves and subjects, the despised dumb cogs in a vast machine, to be worked to the limit, and when worn and broken to be kicked into a junk pile as refuse and waste.

Mr. CHAMBERLAIN. I move that the Senate adjourn until to-morrow at 12 o'clock noon.

The VICE PRESIDENT. Twelve o'clock or 11 o'clock?

Mr. CHAMBERLAIN. Some Senator has suggested 12 o'clock, and I move that the Senate adjourn until that hour.

The motion was agreed to; and (at 1 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Thursday, October 8, 1914, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *October 7, 1914.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord our God and our Father, humbly and reverently we bow before Thee that our souls may receive that uplift of the spirit which comes through personal contact with Thee; that the demands of our higher and better nature may be subserved, and Thy will be done in us, through Jesus Christ our Lord. Amen.

The SPEAKER. The Clerk will read the Journal.

Mr. HENRY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas [Mr. HENRY] makes the point of order that there is no quorum present, and evidently there is not.

Mr. UNDERWOOD. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Alabama moves a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Abercrombie	Burgess	Davenport	George
Adair	Burke, Pa.	Dies	Gerry
Aiken	Burke, Wis.	Dooling	Glass
Ainey	Byrnes, S. C.	Doughton	Goeke
Anderson	Calder	Driscoll	Goldfogle
Anthony	Callaway	Edmonds	Gordon
Austin	Campbell	Elder	Graham, Ill.
Barchfeld	Cantrill	Evans	Graham, Pa.
Bartholdt	Carr	Faison	Gregg
Bell, Cal.	Cary	Fess	Griest
Britten	Church	Finley	Griffin
Brockson	Coady	Fitzgerald	Guernsey
Brodbeck	Connelly, Kans.	Fowler	Hamill
Broussard	Connolly, Iowa	Francis	Harris
Brown, N. Y.	Conry	French	Helvering
Brown, W. Va.	Copley	Gallivan	Hinds
Browning	Curry	Gardner	Hinebaugh

Hobson	Lieb	Parker	Stringer
Hoxworth	Lindquist	Patten, N. Y.	Sumners
Hulings	Linthicum	Powers	Sutherland
Humphrey, Wash.	Loft	Ragsdale	Talcott, N. Y.
Humphreys, Miss.	McAndrews	Rainey	Taylor, N. Y.
Johnson, S. C.	McGuire, Okla.	Reed	Temple
Jones	MacDonald	Riordan	Ten Eyck
Keister	Mahan	Sabath	Townsend
Kelly, Pa.	Maher	Saunders	Treadway
Kennedy, R. I.	Martin	Scully	Tribble
Kent	Merritt	Sherley	Tuttle
Kettner	Metz	Shreve	Wallin
Kindel	Moss, W. Va.	Sisson	Walters
Kinkaid, Nebr.	Mott	Slemp	Watkins
Kitchin	Murdock	Small	Whaley
Knowland, J. R.	Neeley, Kans.	Smith, Idaho	Whitacre
Konop	Nolan, J. I.	Smith, Md.	White
Korbly	Norton	Smith, Minn.	Willis
Kreider	O'Brien	Smith, N. Y.	Wilson, N. Y.
L'Engle	Oglesby	Sparkman	Winslow
Lenroot	O'Hair	Stanley	Woodruff
Lever	O'Shaunessy	Stedman	Woods
Lewis, Md.	Paige, Mass.	Stephens, Cal.	
Lewis, Pa.	Palmer	Stevens, N. H.	

The SPEAKER. On this call 266 Members, a quorum, have answered to their names.

Mr. UNDERWOOD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors, and the Clerk will read the Journal.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

Mr. BURKE of Wisconsin, by unanimous consent, was granted leave of absence, for 15 days, owing to sickness in his family.

ANTITRUST LEGISLATION.

The SPEAKER. The Clerk will report the conference report on the antitrust bill.

The conference report was read, as follows:

CONFERENCE REPORT (NO. 1168).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15657) to supplement existing laws against unlawful restraints and monopolies, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 25, 35, 38, 42, 45, 46, 47, 53, 56, 59, 63, 80, 93, and 94.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 8, 9, 10, 11, 12, 13, 14, 15, 17, 19, 20, 21, 23, 24, 27, 28, 29, 30, 31, 32, 33, 34, 36, 37, 40, 44, 48, 65, 66, 67, 68, 69, 70, 75, 79, 81, 82, 83, 85, 87, and 88; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment insert the following:

"SEC. 2. That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities, which commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce: *Provided*, That nothing herein contained shall prevent discrimination in price between purchasers of commodities on account of differences in the grade, quality, or quantity of the commodity sold, or that makes only due allowance for difference in the cost of selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade."

And the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 3. That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to lease or make a sale or contract for sale of goods, wares, merchandise, machinery, supplies, or other commodities, whether patented or unpatented, for use, consumption, or resale within the United States or any Territory thereof, or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, or fix a price charged therefor, or discount from, or rebate upon, such price, on the condition, agreement, or understanding that the lessee or purchaser thereof shall not use or deal in the goods, wares, merchandise, machinery, supplies, or other commodities of a competitor or competitors of the lessor or seller, where the effect of such lease, sale, or contract for sale or such condition, agreement, or understanding may be to substantially lessen competition or tend to create a monopoly in any line of commerce."

And the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the figure "3" inserted by said amendment insert the figure "4"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 5. That a final judgment or decree hereafter rendered in any criminal prosecution or in any suit or proceeding in equity brought by or on behalf of the United States under the antitrust laws to the effect that a defendant has violated said laws shall be prima facie evidence against such defendant in any suit or proceeding brought by any other party against such defendant under said laws as to all matters respecting which said judgment or decree would be an estoppel as between the parties thereto: *Provided*, This section shall not apply to consent judgments or decrees entered before any testimony has been taken: *Provided further*, This section shall not apply to consent judgments or decrees rendered in criminal proceedings or suits in equity, now pending, in which the taking of testimony has been commenced but has not been concluded, provided such judgments or decrees are rendered before any further testimony is taken.

"Whenever any suit or proceeding in equity or criminal prosecution is instituted by the United States to prevent, restrain, or punish violations of any of the antitrust laws, the running of the statute of limitations in respect of each and every private right of action arising under said laws and based in whole or in part on any matter complained of in said suit or proceeding shall be suspended during the pendency thereof."

And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the figure "5" inserted by said amendment insert the figure "6"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the figure "6" inserted by said amendment insert the figure "7"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the words stricken out by said amendment insert the word "substantially"; after the word "acquisition" and the comma thereafter, in line 16, page 7, insert "or to restrain such commerce in any section or community"; and after the word "or," in line 16, page 7, insert the word "tend"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the words stricken out by said amendment insert the word "substantially"; after the word "acquired" and the comma thereafter, in line 24, page 7, insert "or to restrain such commerce in any section or community"; and after the word "or," in line 1, page 8, insert the word "tend"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the words stricken out by said amendment insert the word "substantially"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: After

the word "thereof" at the end of said amendment add the words "or the civil remedies therein provided"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment strike out only the matter contained in lines 16 to 24, inclusive, page 9, and lines 1 to 17, inclusive, page 10; at the beginning of line 18, page 10, insert "SEC. 8"; after the word "association," in line 21, page 10, strike out the comma, and after the word "company," in the same line, insert a comma; after the words "United States," in line 22, page 10, insert a comma; strike out the figures "$2,500,000," in line 24, page 10, and in line 3, page 11, and insert in lieu thereof in each instance the figures "$5,000,000"; in line 16, page 11, after the word "association," strike out the comma, and in the same line, after the word "company," insert a comma; in line 17, page 11, after the words "United States," insert a comma; strike out the word "one," in line 18, page 11, and insert in lieu thereof the word "two"; and after the word "association," in line 23, page 11, strike out the comma; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In line 16, page 12, after the word "than," insert the following: "banks, banking associations, trust companies and"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: Change "SEC. 8" to "SEC. 9"; and after the words "accruing from" in said amendment insert the following: ", or used in,"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 11. That authority to enforce compliance with sections 2, 3, 7 and 8 of this act by the persons respectively subject thereto is hereby vested: In the Interstate Commerce Commission where applicable to common carriers, in the Federal Reserve Board where applicable to banks, banking associations, and trust companies, and in the Federal trade commission where applicable to all other character of commerce, to be exercised as follows:

"Whenever the commission or board vested with jurisdiction thereof shall have reason to believe that any person is violating or has violated any of the provisions of sections 2, 3, 7 and 8 of this act, it shall issue and serve upon such person a complaint stating its charges in that respect, and containing a notice of a hearing upon a day and at a place therein fixed at least 30 days after the service of said complaint. The person so complained of shall have the right to appear at the place and time so fixed and show cause why an order should not be entered by the commission or board requiring such person to cease and desist from the violation of the law so charged in said complaint. Any person may make application, and upon good cause shown may be allowed by the commission or board, to intervene and appear in said proceeding by counsel or in person. The testimony in any such proceeding shall be reduced to writing and filed in the office of the commission or board. If upon such hearing the commission or board, as the case may be, shall be of the opinion that any of the provisions of said sections have been or are being violated, it shall make a report in writing in which it shall state its findings as to the facts, and shall issue and cause to be served on such person an order requiring such person to cease and desist from such violations, and divest itself of the stock held or rid itself of the directors chosen contrary to the provisions of sections 7 and 8 of this act, if any there be, in the manner and within the time fixed by said order. Until a transcript of the record in such hearing shall have been filed in a circuit court of appeals of the United States, as hereinafter provided, the commission or board may at any time, upon such notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any report or any order made or issued by it under this section.

"If such person fails or neglects to obey such order of the commission or board while the same is in effect, the commission or board may apply to the circuit court of appeals of the United States, within any circuit where the violation complained of was or is being committed or where such person resides or carries on business, for the enforcement of its order, and shall certify and file with its application a transcript of the entire record in the proceeding, including all the testimony taken and the report and order of the commission or board. Upon such filing of the application and transcript the court shall cause notice thereof to be served upon such person and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the commission or board. The findings of the commission or board as to the facts, if supported by testimony, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the commission or board, the court may order such additional evidence to be taken before the commission or board and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The commission or board may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by testimony, shall be conclusive, and its recommendation, if any, for the modification or setting aside of its original order, with the return of such additional evidence. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari as provided in section 240 of the Judicial Code.

"Any party required by such order of the commission or board to cease and desist from a violation charged may obtain a review of such order in said circuit court of appeals by filing in the court a written petition praying that the order of the commission or board be set aside. A copy of such petition shall be forthwith served upon the commission or board, and thereupon the commission or board forthwith shall certify and file in the court a transcript of the record as hereinbefore provided. Upon the filing of the transcript the court shall have the same jurisdiction to affirm, set aside, or modify the order of the commission or board as in the case of an application by the commission or board for the enforcement of its order, and the findings of the commission or board as to the facts, if supported by testimony, shall in like manner be conclusive.

"The jurisdiction of the circuit court of appeals of the United States to enforce, set aside, or modify orders of the commission or board shall be exclusive.

"Such proceedings in the circuit court of appeals shall be given precedence over other cases pending therein, and shall be in every way expedited. No order of the commission or board or the judgment of the court to enforce the same shall in any wise relieve or absolve any person from any liability under the antitrust acts.

"Complaints, orders, and other processes of the commission or board under this section may be served by anyone duly authorized by the commission or board, either (a) by delivering a copy thereof to the person to be served, or to a member of the partnership to be served, or to the president, secretary, or other executive officer or a director of the corporation to be served; or (b) by leaving a copy thereof at the principal office or place of business of such person; or (c) by registering and mailing a copy thereof addressed to such person at his principal office or place of business. The verified return by the person so serving said complaint, order, or other process setting forth the manner of said service shall be proof of the same, and the return post-office receipt for said complaint, order, or other process registered and mailed as aforesaid shall be proof of the service of the same."

And transpose the same to follow amendment 51.

And the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 10. That after two years from the approval of this act no common carrier engaged in commerce shall have any dealings in securities, supplies, or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than $50,000, in the aggregate, in any one year, with another corporation, firm, partnership, or association when the said common carrier shall have upon its board of directors or as its president, manager, or as its purchasing or selling officer, or agent in the particular transaction, any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial in-

terest in, such other corporation, firm, partnership, or association, unless and except such purchases shall be made from, or such dealings shall be with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission. No bid shall be received unless the name and address of the bidder or the names and addresses of the officers, directors, and general managers thereof, if the bidder be a corporation, or of the members, if it be a partnership or firm, be given with the bid.

"Any person who shall, directly or indirectly, do or attempt to do anything to prevent anyone from bidding or shall do any act to prevent free and fair competition among the bidders or those desiring to bid shall be punished as prescribed in this section in the case of an officer or director.

"Every such common carrier having any such transactions or making any such purchases shall within 30 days after making the same file with the Interstate Commerce Commission a full and detailed statement of the transaction showing the manner of the competitive bidding, who were the bidders, and the names and addresses of the directors and officers of the corporations and the members of the firm or partnership bidding; and whenever the said commission shall, after investigation or hearing, have reason to believe that the law has been violated in and about the said purchases or transactions it shall transmit all papers and documents and its own views or findings regarding the transaction to the Attorney General.

"If any common carrier shall violate this section it shall be fined not exceeding $25,000; and every such director, agent, manager, or officer thereof who shall have knowingly voted for or directed the act constituting such violation or who shall have aided or abetted in such violation shall be deemed guilty of a misdemeanor and shall be fined not exceeding $5,000, or confined in jail not exceeding one year, or both, in the discretion of the court."

And transpose the same to follow line 23, page 13.

And the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the figure "11" inserted by said amendment insert the figure "12"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "transacts business; and all process in such cases may be served in the district of which it is an inhabitant, or wherever it may be found"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the figure "12" inserted by said amendment insert the figure "13"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the figure "13" inserted by said amendment insert the figure "14"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: Reinsert the matter stricken out by said amendment and insert the word "penal" after the words "any of the" and before the word "provisions," in line 15, page 14, and omit the matter inserted by said amendment; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the figure "14" inserted by said amendment insert the figure "15"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the figure "15" inserted by said amendment insert the figure "16"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of "six, and seven," in said amendment, insert "three, seven, and eight"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the figure "16" inserted by said amendment insert the figure "17"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows: In lieu of the figure "17" inserted by said amendment insert the figure "18"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: Reinsert the matter stricken out by said amendment, inserting the word "sixteen" in lieu of the word "fourteen," in line 5, page 18; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the figure "18" inserted by said amendment insert the figure "19"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows: Strike out the comma after the word "employees," in line 18, page 18; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: In lieu of the figure "19" inserted by said amendment insert the figure "20"; and the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows: Reinsert the words stricken out by said amendment, and in lieu of the matter inserted by said amendment insert the following: ", whether singly or in concert," and strike out the comma after the word "advising," in line 12, page 19; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: Add a comma after the word "information," at the end of said amendment; and the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows: In lieu of the figure "20" inserted by said amendment insert the figure "21"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In lieu of the figure "21" inserted by said amendment insert the figure "22"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the figure "22" inserted by said amendment insert the figure "23"; and the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the figure "23" inserted by said amendment insert the figure "24"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the word "twenty" inserted by said amendment insert the word "twenty-one"; and the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows: In lieu of the figure "24" inserted by said amendment insert the figure "25"; and the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment as follows: Change "Sec. 27" to "Sec. 26"; and the Senate agree to the same.

E. Y. WEBB,
C. C. CARLIN,
J. C. FLOYD,
Managers on the part of the House.

C. A. CULBERSON,
LEE S. OVERMAN,
W. E. CHILTON,
Managers on the part of the Senate.

The statement is as follows:

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15657) to supplement existing laws against unlawful restraints and monopolies, and for other purposes, submit the following detailed statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of the amendments of the Senate, namely:

Amendment No. 1: This amendment provides that nothing in this act shall apply to the Philippine Islands.

Amendment No. 2: This amendment is a substitute agreed upon in conference as section 2, to take the place of section 2 in the bill as passed by the House. It eliminates the penalty of the original House bill, but declares the acts therein forbidden to be unlawful. It is as follows:

SEC. 2. That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities, which commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce: *Provided*, That nothing herein contained shall prevent discrimination in price between purchasers of commodities on account of differences in the grade, quality, or quantity of the commodity sold, or that makes only due allowance for difference in the cost of selling or transportation, or discrimination in price in the same or different commodities made in good faith to meet competition: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade.

Amendment No. 3: This amendment strikes out the original House section 3, providing against the arbitrary refusal to sell certain commodities and the penalty therefor.

Amendment No. 4: This amendment strikes out section 4 of the original House bill, providing against lease or sale, upon condition, of goods, wares, etc., with condition, agreement, or understanding that the lessee or purchaser shall not use or deal in the goods, etc., of a competitor and the penalty prescribed therein. It also strikes out section 2 as proposed by the Senate, dealing with the same subject, and the following is agreed to in conference as a substitute therefor:

SEC. 3. That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to lease or make a sale or contract for sale of goods, wares, merchandise, machinery, supplies, or other commodities, whether patented or unpatented, for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, or fix a price charged therefor, or discount from, or rebate upon, such price, on the condition, agreement, or understanding that the lessee or purchaser thereof shall not use or deal in the goods, wares, merchandise, machinery, supplies, or other commodities of a competitor or competitors of the lessor or seller, where the effect of such lease, sale, or contract for sale, or such condition, agreement, or understanding may be to substantially lessen competition or tend to create a monopoly in any line of commerce.

Amendment No. 5: This amendment changes the number of this section from section 5 to section 4 to conform to other changes.

Amendment No. 6: This amendment strikes out section 6 of the original House bill, granting the benefit of the issues found in favor of the Government to individual suitors in actions or proceedings brought under or involving the provisions of any of the antitrust laws; also strikes out the amendment proposed by the Senate as section 4 of the Senate bill, relating to the same subject, and inserts in lieu thereof the following:

SEC. 5. That a final judgment or decree hereafter rendered in any criminal prosecution or in any suit or proceeding in equity brought by or on behalf of the United States under the antitrust laws, to the effect that a defendant has violated said laws, shall be prima facie evidence against such defendant in any suit or proceeding brought by any other party against such defendant under said laws, as to all matters respecting which said judgment or decree would be an estoppel as between the parties thereto: *Provided*, This section shall not apply to consent judgments or decrees entered before any testimony has been taken: *Provided further*, This section shall not apply to consent judgments or decrees rendered in criminal proceedings or suits in equity now pending in which the taking of testimony has been commenced but has not been concluded, provided such judgments or decrees are rendered before any further testimony is taken.

Whenever any suit or proceeding in equity or criminal prosecution is instituted by the United States to prevent, restrain, or punish violations of any of the antitrust laws, the running of the statute of limitations in respect of each and every private right of action arising under said laws and based in whole or in part on any matter complained of in said suit or proceeding shall be suspended during the pendency thereof.

Amendment No. 7: This amendment changes the number of this section from section 7 to section 6 to make it conform to other changes.

Amendment No. 8: This amendment transposes the word "nothing" in the original House bill, section 7, and adopts the Senate amendment therefor by adding that "the labor of a human being is not a commodity or article of commerce."

Amendment No. 9: Strikes out the word "fraternal" in section 7 of House bill.

Amendment No. 10: Strikes out the word "consumers" in House bill, section 7.

Amendment No. 11: Strikes out of section 7 of House bill the words "orders or associations."

Amendment No. 12: Strikes out of section 7 of the House bill the words "orders, or associations."

Amendment No. 13: This amendment adopts the Senate amendment by adding in section 7 of the House bill the word "lawfully," making this part of the sentence read: "from lawfully carrying out the legitimate objects thereof."

Amendment No. 14: This amendment strikes out the words "orders, or associations," agreeably to the Senate amendment to section 7 of the House bill.

Amendment No. 15: The House here recedes and agrees to the Senate amendment to strike out all of the second paragraph of section 7 of the House bill, which part exempts from the antitrust laws associations in traffic and operating officers of common carriers in making agreements, etc., subject to the jurisdiction of the Interstate Commerce Commission.

Amendment No. 16: This amendment changes the number of this section from section 8 to section 7 to make it conform to other changes.

Amendment No. 17: This amendment strikes out the word "is" in the House bill and inserts in lieu thereof the words "may be."

Amendment No. 18: This amendment strikes out the words "eliminate or," and inserts after the word "acquisition" the words "or to restrain such commerce in any section or community," and after the word "or" the further word "tend."

Amendment No. 19: This amendment strikes out the word "trade" and inserts in lieu thereof the word "commerce."

Amendment No. 20: This amendment strikes out the words "in any section or community."

Amendments Nos. 17, 18, 19, and 20 make this portion of section 8 of House bill read as follows:

where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

Amendment No. 21: This amendment strikes out the word "is" and inserts in lieu thereof the words "may be."

Amendment No. 22: This amendment strikes out the words "eliminate or," and inserts after the word "acquired" the words "or to restrain such commerce in any section or community," and after the word "or" the word "tend."

Amendment No. 23: This amendment strikes out the word "trade" and inserts in lieu thereof the word "commerce."

Amendment No. 24: This amendment strikes out the words "in any section or community." These last words stricken out were inserted earlier in this section.

Amendments Nos. 21, 22, 23, and 24 make the part of this paragraph of section 8 of the House bill read as follows:

may be to substantially lessen competition between such corporations, or any of them, whose stock or other share capital is so acquired, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

Amendment No. 25: This amendment restores the word "substantial," as originally contained in House bill.

Amendment No. 26: This amendment strikes out the words "eliminate or."

Amendment No. 27: This amendment strikes out the following:

Nothing contained in this section shall be held to affect or impair any right heretofore legally acquired: *Provided*, That nothing in this paragraph shall make stock-holding relations between corporations legal when such relations constitute violations of the antitrust laws.

Amendment No. 28: This amendment strikes out the words "railroad corporation" and inserts in lieu thereof the words "common carriers subject to the laws to regulate commerce."

Amendment No. 29: This amendment strikes out the word "branch" and inserts in lieu thereof the word "branches."

Amendment No. 30: This amendment strikes out the word "line" and inserts in lieu thereof the word "lines."

Amendment No. 31: This amendment strikes out the word "railroads."

Amendment No. 32: This amendment strikes out the word "line" and inserts in lieu thereof the word "lines."

Amendment No. 33: This amendment strikes out the words "railroad corporation" and inserts in lieu thereof the words "such common carrier."

Amendment No. 34: This amendment strikes out the word "railroad."

Amendment No. 35: This amendment restores the word "substantial."

Amendment No. 36: This amendment strikes out the words "any railroad company and inserts in lieu thereof the words "such common carrier."

Amendment No. 37: This amendment strikes out the words "railroad company" and inserts in lieu thereof the words "such common carrier."

Amendment No. 38: This amendment restores the word "substantial," which had been stricken out by the Senate.

Amendment No. 39: This amendment adds a new paragraph to section 8 of the House bill, as follows:

Nothing contained in this section shall be held to affect or impair any right heretofore legally acquired: *Provided*, That nothing in this section shall be held or construed to authorize or make lawful anything heretofore prohibited or made illegal by the antitrust laws, nor to exempt any person from the penal provisions thereof or the civil remedies therein provided.

Amendment No. 40: This amendment strikes out the following paragraph of section 8 of the House bill:

A violation of any of the provisions of this section shall be deemed a misdemeanor and shall be punishable by a fine not exceeding $5,000 or by imprisonment not exceeding one year, or by both, in the discretion of the court.

Amendment No. 41: The Senate amendment to the House bill struck out all of section 9, and in the conference all of this section was restored with the exception of the first paragraph thereof, which prohibited interlocking directorates between supply companies, etc., and common carriers. The restored part of this section was numbered section 8 and was further amended as follows: By inserting in lieu of "$2,500,000," wherever it appears therein, the figures "$5,000,000." The effect of this amendment is to permit interlocking directors and other officers or employees of banks, banking associations, and trust companies where the aggregate deposits, capital, surplus, and undivided profits do not amount to more than $5,000,000.

And further amended said section by striking out the word "one" and inserting in lieu thereof the word "two," making said section read in part as follows:

No bank, banking association, or trust company, organized or operating under the laws of the United States, in any city or incorporated town or village of more than 200,000 inhabitants, as shown, etc.

Amendment No. 42: This amendment strikes out the words "Sec. 7" and makes section 7 of the House bill a part of section 8, as agreed to.

Amendment No. 43: This amendment strikes out the word "either" and inserts in lieu thereof the words "any one," and adds the words "banks, banking associations, trust companies, and" after the word "than" and before the words "common carriers."

Amendment No. 44: This amendment strikes out the word "an" and inserts in lieu thereof the word "the."

Amendments Nos. 45, 46, and 47: These amendments restore the words "bank or other," in relation to corporations, which had been stricken out by the Senate.

Amendment No. 48: This amendment strikes out all of the following paragraph, originally contained in the House bill:

That any person who shall violate any of the provisions of this section shall be guilty of a misdemeanor and shall be punished by a fine of not exceeding $100 a day for each day of the continuance of such violation, or by imprisonment for such period as the court may designate, not exceeding one year, or by both, in the discretion of the court.

Amendment No. 49: This amendment inserts a new section, numbered 9, as follows:

SEC. 9. Every president, director, officer, or manager of any firm, association, or corporation engaged in commerce as a common carrier, who embezzles, steals, abstracts, or willfully misapplies, or willfully permits to be misapplied, any of the moneys, funds, credits, securities, property, or assets of such firm, association, or corporation, arising or accruing from, or used in, such commerce, in whole or in part, or willfully or knowingly converts the same to his own use or to the use of another, shall be deemed guilty of a felony, and upon conviction shall be fined not less than $500 or confined in the penitentiary not less than 1 year nor more than 10 years, or both, in the discretion of the court.

Prosecutions hereunder may be in the district court of the United States for the district wherein the offense may have been committed.

That nothing in this section shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof; and a judgment of conviction or acquittal on the merits under the laws of any State shall be a bar to any prosecution hereunder for the same act or acts.

Amendment No. 50: This amendment was a new section inserted by the Senate as section 9, which was redrafted in conference and renumbered section 11 to conform to other changes, and vests jurisdiction in the Interstate Commerce Commission, the Federal Reserve Board, and the Federal Trade Commission to enforce the provisions of sections 2, 3, 7, and 8 of this act. This section also contains other provisions for the enforcement of this law.

Amendment No. 51: This amendment was a new section inserted by the Senate as section 11, which was redrafted in conference and relates to a common carrier dealing with a company engaged in selling securities or supplies where they have common directors, and renumbered as section 10.

Amendment No. 52: This amendment renumbers section 10 to be section 12.

Amendment No. 53: This amendment strikes out the following words which had been inserted by the Senate: "or against officers of a corporation by stockholders thereof."

Amendment No. 54: This amendment strikes out the words "has an agent" and inserts in lieu thereof the following: "transacts business; and all process in such cases may be served in the district of which it is an inhabitant, or wherever it may be found."

Amendment No. 55: This amendment changes the number of this section from section 11 to section 13.

Amendment No. 56: This amendment restores the proviso which had been stricken out by the Senate providing against the issuance of writs of subpœna for witnesses living out of the district in which the court is held and more than 100 miles from the place of holding court without the permission of the trial court.

Amendment No. 57: This amendment changes the number of this section from section 12 to section 14.

Amendment No. 58: The first part of section 12 of the House bill, down to and including the word "violation," was stricken out by the Senate, but in conference was restored with the addition of the word "penal" before the word "provisions" in the second line of the section.

This relates to the penal liability of individual directors, officers, or agents of corporations violating antitrust laws.

Amendment No. 59: This amendment strikes out the words "guilty of," which were inserted by the Senate.

Amendment No. 60: This amendment changes the number of this section from section 13 to section 15.

Amendment No. 61: This amendment changes the number of this section from section 14 to section 16.

Amendment No. 62: This amendment adds, after the word "laws," the following: "including sections 2, 3, 7, and 8 of this act."

Amendment No. 63: The Senate struck out the proviso contained in section 14 of the House bill. This was receded from in conference by the Senate.

Amendment No. 64: This amendment changes the number of this section from section 15 to section 17.

Amendment No. 65: This amendment strikes out the following words: "property or a property right of."

Amendment No. 66: This amendment strikes out the word "could" and inserts in lieu thereof the word "can."

Amendment No. 67: This amendment strikes out the word "or" and inserts in lieu thereof the words "and a."

Amendment No. 68: This amendment adds, after the word "fix," the following: "unless within the time so fixed the order is extended for a like period for good cause shown, and the reasons for such extension shall be entered of record."

Amendments Nos. 69 and 70: These amendments strike out the word "his" and insert in lieu thereof the word "the."

Amendment No. 71: This amendment changes the number of this section from section 16 to section 18.

Amendment No. 72: The following language, which was stricken out in the Senate, was restored in conference, with the word "sixteen" inserted in place of the word "fourteen": "except as otherwise provided in section 16 of this act."

Amendment No. 73: This amendment changes the number of this section from section 17 to section 19.

Amendment No. 74: This amendment adds the word "officers," making it read "their officers, agents, servants, employees, and attorneys."

Amendment No. 75: This amendment adds the words "or participating," making it read "or those in active concert or participating with them."

Amendment No. 76: This amendment changes the number of this section from section 18 to section 20.

Amendment No. 77: This amendment restores the words "person or persons" which had been stricken out by the Senate, and adds the words "whether singly or in concert."

Amendment No. 78: This amendment strikes out the following:

or from attending at or near a house or place where any person resides or works, or carries on business or happens to be, for the purpose of peacefully obtaining or communicating information—

And inserts in lieu thereof the following:

or from attending at any place where any such person or persons may lawfully be, for the purpose of peacefully obtaining or communicating information.

Amendment No. 79: This amendment strikes out the word "of" and inserts in lieu thereof the word "from," making it read "or from peacefully persuading," etc.

Amendment No. 80: This amendment restores the original House language which was stricken out in the Senate, as follows: "ceasing to patronize or to employ."

Amendment No. 81: This amendment adds, after the word "peaceful," the words "and lawful."

Amendment No. 82: This amendment strikes out, after the word "assembling," the words "at any place."

Amendment No. 83: This amendment strikes out the word "unlawful" and inserts in lieu thereof the words "to be violations of any law of the United States."

Amendment No. 84: This amendment changes the number of this section from section 19 to section 21.

Amendment No. 85: This amendment strikes out the words "at common law" and inserts in lieu thereof the following: "under the laws of any State in which the act was committed."

Amendment No. 86: This amendment changes the number of this section from section 20 to section 22.

Amendment No. 87: This amendment strikes out the word "person," making the sentence read "where the accused is a body corporate," etc.

Amendment No. 88: This amendment adds the following proviso to section 20 of the House bill:

Provided, That in any case the court or a judge thereof may, for good cause shown, by affidavit or proof taken in open court or before such judge and filed with the papers in the case, dispense with the rule to show cause, and may issue an attachment for the arrest of the person charged with contempt; in which event such person, when arrested, shall be brought before such court or a judge thereof without unnecessary delay and shall be admitted to bail in a reasonable penalty for his appearance to answer to the charge or for trial for the contempt; and thereafter the proceedings shall be the same as provided herein in case the rule had issued in the first instance.

Amendment No. 89: This amendment changes the number of this section from section 21 to section 23.

Amendment No. 90: This amendment changes the number of this section from section 22 to section 24.

Amendment No. 91: This amendment strikes out the word "nineteen" and inserts in lieu thereof the word "twenty-one," in order to make it conform to the renumbered section.

Amendment No. 92: This amendment changes the number of this section from section 23 to section 25.

Amendment No. 93: The Senate added an amendment designated as section 25, directing the court in certain cases to decree the dissolution of the monopoly in restraint of trade and to appoint receivers and cause its assets to be sold. The Senate receded from this amendment in conference.

Amendment No. 94: The Senate added an amendment designated as section 26, as follows:

It shall be unlawful for any corporation engaged in commerce to do any business in any State contrary to the laws of the State under which said corporation was created or contrary to the laws of the State in which it may be doing business. The District of Columbia shall be deemed a State within the meaning of this section.

The Senate receded from this amendment in conference.

Amendment No. 95: This amendment adds the following additional section to the bill:

SEC. 26. If any clause, sentence, paragraph, or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

E. Y. WEBB,
C. C. CARLIN,
J. C. FLOYD,
Managers on the part of the House.

Mr. MANN. Mr. Speaker, I make the point of order against the conference report in that the conferees exceeded their jurisdiction by changing the text of the bill which was agreed to by both Houses and which was not in disagreement and not before the conference committee. The conferees state on page 4 of the conference report:

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In line 16, page 12, after the word "than," insert the following: "banks, banking associations, trust companies and"; and the Senate agree to the same.

Amendment numbered 43 is an amendment to section 7 of the bill as it passed the House. It is found on page 14 of the House print of the bill with the Senate amendments, which, of course, is not the print referred to in the conference report. Section 7 of the bill is a section in reference to interlocking directorates and provides:

That from and after two years from the date of the approval of this act no person at the same time shall be a director in two or more corporations, either of which has capital, surplus, and undivided profits aggregating more than $1,000,000, engaged in whole or in part in commerce, other than common carriers subject to the act to regulate commerce, approved February 4, 1887, if such corporations are, or shall have been theretofore, by virtue of their business and location of operation, competitors, so that an elimination of competition by agreement between them would constitute a violation of any of the provisions of any of the antitrust laws.

The Senate amendment numbered 43 was a mere grammatical correction. The language referred to two or more corporations, and the House said "either of which had capital." The Senate struck out "either" and inserted "any one," making proper grammar. That was the only matter in dispute in that part of this bill between the two Houses.

The House had passed section 7, prohibiting interlocking directorates of all corporations having a capital of over a million dollars, except those subject to the act to regulate commerce, if it affected competition or if they were competitors, and the Senate agreed to identically the same language, except the mere grammatical correction. What the conferees have done is to eliminate from this section all banking corporations. The language which the conferees have now inserted would make the section read:

Any one of which has capital, surplus, and undivided profits aggregating more than $1,000,000, engaged in whole or in part in commerce, other than banks, banking associations, trust companies, and common carriers subject to the act to regulate commerce.

We have heard a great deal in reference to interlocking directorates of banks to stifle competition. Here was a proposition presented to the Congress where the House, by the language which it agreed to, forbade interlocking directorates of banks where competition was affected, and the Senate agreed to identically the same language, and yet the conferees by their report undertake to eliminate from this prohibition of interlocking directorates not only the railroads subject to the act to regulate commerce but also of banks, banking institutions, and trust companies.

On page 243 of the manual, paragraph 539, this language occurs:

The managers of a conference must confine themselves to the differences committed to them and may not include subjects not within the disagreements, even though germane to a question in issue.

And, again:

Managers may not change the text to which both Houses have agreed.

The SPEAKER. The Chair would like to ask the gentleman a question in order to get this matter straight.

Mr. MANN. Certainly.

The SPEAKER. The report says in line 16——

Mr. MANN. That is, line 16 of the print of the Senate amendment; but it comes in where I have indicated in the House print of the bill with the Senate amendment. It comes in on line 21, page 14, after the word "than." That is the way the conference report was originally prepared and the way it was originally submitted to the Senate, but as the references were not to the engrossed copy, the conferees properly made the change.

The SPEAKER. The gentleman may proceed. The Chair thought that was it.

Mr. MANN. In 1904 the House passed a legislative appropriation bill containing this language:

No part of any money appropriated by this act shall be available for paying expenses of horses and carriages, or drivers therefor, for the personal use of any officer provided for herein other than the President of the United States, the heads of executive departments, and the Secretary to the President.

I am reading from volume 5 of Hinds' Precedents, paragraph 6417.

The SPEAKER. The Chair wishes the gentleman would repeat that reference.

Mr. MANN. Volume 5 of Hinds' Precedents, paragraph 6417.

The language in that bill as passed by the House related only to money appropriated by that act, and forbidding the use of money appropriated by that act, being made available for paying the expenses of horses or carriages or drivers therefor for the personal use of any officer except those excepted. The Senate amended the provision by making it read:

By this or any other act.

And further provided in the same paragraph—

For the personal use of any officer provided for by this or any other act.

And the question at issue between the two bodies was whether the forbidding of the use of the money appropriated should be confined to the money appropriated by that act or any other act. And it only related to the personal use. The conferees made a report in which they inserted in the text of the bill, after the word "personal," the words "or official," so that the prohibition would extend to the use of money by all officers of the Government except those excepted, for the personal or official use of any officer of the Government.

I remember the occasion quite well. There was a very bitter fight both in the Senate and in the House, and a great deal of feeling on the subject of carriages being owned by the Government and used by the officials. And the act was passed by the House to only contain, except subject to a point of order, the limitation of money appropriated by that act.

The Senate made it "any other act," and that was the point. But it only applied to personal use, and the conferees inserted "official" in the text, so that it would read for the "personal or official" use of any officer. The point of order was made on the conference report by myself, as I see here. Mr. Cannon was the Speaker. He had been chairman of the Committee on Appropriations for a great many years, and had an exaggerated idea of reports made by the Committee on Appropriations. I made an argument before Mr. Speaker Cannon, who had said before the argument was made, "There is no use of discussing that. I will overrule the point of order." But I asked to be heard and was heard.

After hearing, the Chair took it under advisement and had the conference report laid over a day, and he secured the valuable asistance of one of the ablest parliamentarians who has ever lived, in my judgment, Mr. HINDS, and the Speaker came into the House next day and sustained the point of order, and made quite an elaborate ruling on the subject, going over the precedents, and deciding that the conferees, having before them certain amendments which were in disagreement, could not go outside of those amendments and start in to rewrite the text which had been agreed to by both bodies.

Among other things the Chair said:

This provision in the conference report inserts legislation that never was before the House or before the Senate, and it was quite competent for the conferees, if they could do this, to have stricken out the whole paragraph and inserted anything that was germane.

In other words, if the conferees were empowered to change the text at all, they were empowered to rewrite the bill. That is a function not conferred upon conferees.

Mr. SHERLEY. Will the gentleman tell me the page from which he is reading and the volume?

Mr. MANN. I am reading from page 674, volume 5, of Hinds' Precedents, paragraph 6417.

Now, in paragraph 6420, page 729, in 1907, Mr. James W. Wadsworth, father of the next Senator from New York State [applause on the Republican side], presented a conference report on the agricultural appropriation bill, whereupon the distinguished gentleman from New York [Mr. FITZGERALD] made a point of order. This was the point of order:

I wish to make the point of order against the conference report on the ground that the conferees have inserted on page 40 language in an item which was not in dispute between the two Houses. On page 40, line 24, the conferees have changed the text in the language agreed to by both Houses by inserting after the word "forest" the words "in the District of Columbia or elsewhere."

There was a matter where the text had been agreed to by both Houses and the conferees had inserted language in the text to carry out what they may be presumed to have thought was the intent of the two Houses, but intent not expressed in the bill. The Speaker held, sustaining the point of order made by Mr. FITZGERALD:

The gentleman from New York [Mr. FITZGERALD] makes the point of order that the conferees have exceeded their authority by changing the text to which both Houses have agreed by inserting after the word "forest" the words "in the District of Columbia or elsewhere." And the report states that such is the case. * * * The Chair sustains the point of order.

In the conference report on the railroad bill in 1906—the Hepburn law—there was included in the conference report certain language changing the text of the bill. No point of order was made in the House upon that. It was stated by the conferees that they had done this, and it was subject to a point if anybody desired to make the point of order. In the Senate the same statement was made. Senator TILLMAN was one of the managers of the Senate presenting the report. I refer to Hinds' Precedents, paragraph 6431. He said:

If Senators will kindly follow me, each Senator can learn what we have done and what we had no rightful power to do. On top of page 12 of the last print, June 2, the words "transportation or facilities" were inserted after the word "traffic" at the end of the preceding line. It is not necessary to state the reason why those words were put in, but it seemed to us that it was necessary to clarify the matter with respect to contracts, agreements, or arrangements which are to be filed with the commission. If the point of order is made against those words in the Senate, or whether or not it is, I think the conferees will take them out. I for one will vote to take them out. We had no right to put them in—

And so forth.

That led to a protracted debate in the Senate, and it was the unanimous opinion, so far as I have gone over it, that the conferees had exceeded their power. But the point of order was dropped. The conferees had stated to both Houses that they had inserted language which would make the conference report subject to a point of order if anybody desired to make it.

The SPEAKER. What became of that point of order in the Senate?

Mr. MANN. It was dropped. No point of order was made.

The SPEAKER. What was it dropped for?

Mr. MANN. The point of order was not pressed. Nobody was objecting to the change that was made, and the conferees had been very frank about it. I remember I was one of the conferees in that case. We were very frank to the House, and stated to the House that it was subject to a point of order.

In 1880, where a question arose as to what the House might do, Speaker Randall held——

The SPEAKER. Where is the gentleman reading from?

Mr. MANN. From paragraph 6436, page 747. I read:

On June 9, 1880, Mr. Speaker Randall held that the House might not consider a proposed concurrent resolution authorizing conferees on the legislative appropriation bill to take into consideration a subject included in the text to which both Houses had agreed. The Speaker said that under the parliamentary law neither House might change the text to which both Houses had agreed, and, in his opinion, conferees might not be endowed with power greater than either of the Houses possessed.

I shall not detain the Speaker with more of the numerous decisions which have been made upon the subject, except to remind the Speaker of the oleomargarine bill, where the House passed a bill and the Senate added a number of amendments to it. Those amendments of the Senate were considered in the House, and it was proposed, upon the consideration of those amendments, to change the text of the bill as it passed the House, where it had not been amended by the Senate. The point of order was sustained that it was not in the power of the House, after it had passed a bill and sent it to the Senate and the Senate had amended it and it had come back to the House, then to change the text which both Houses had agreed to.

Take this case: Supposing this bill, instead of going to conference, had come before the House for the consideration by the House of the Senate amendments. When we reach section 7 we could dispose of amendment numbered 42, which affected the numbering of the section, and the next question would be upon agreeing or disagreeing to the amendment numbered 43, which inserted the words "any one" in place of the word "either," and the next amendment which would be up for consideration would be amendment numbered 44, which proposes to insert the word "the" in place of the word "an." But it would not have been in order to have offered then an amendment to the text of the bill which had been agreed to by the House and agreed to by the Senate. When the House passes the bill and a motion to reconsider is disposed of and the bill has gone from the House it is not within the power of the House then to change the text of the bill; not as a matter of right, but of course it may be done by unanimous consent. So that the conferees in this case have gone beyond their jurisdiction, having proposed amendments to the text in a very vital feature of the bill which was not in dispute between the two Houses. They exceeded their jurisdiction and can not make such a conference report.

I know of nothing more vital which was before the House than the power and the right to prevent interlocking directorates of banks. Here was one of the issues that has been more discussed than any other by the great committee of the House which sat for weeks and months—the so-called Untermeyer committee, or the Pujo committee. That was one of the basic things that the committee made findings on, and when this bill was prepared it provided a prohibition against interlocking directorates of banks. The House passed it in that shape. The Senate passed it in that shape. But the House conferees, without authority and over and beyond any jurisdiction granted to them, have provided that banks shall no longer be controlled by this prohibition of interlocking directorates where banks are in competition.

So I say that the conference report should be rejected as subject to a point of order.

Mr. HENRY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-one Members are present—not a quorum.

Mr. WEBB. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Adamson	Fess	Knowland, J. R.	Rainey
Anderson	Fitzgerald	Konop	Reed
Ansberry	Fowler	Korbly	Riordan
Anthony	Francis	Kreider	Sabath
Austin	French	Langley	Scully
Barchfeld	Gallivan	L'Engle	Shreve
Bell, Cal.	Gardner	Lenroot	Slemp
Britten	George	Lewis, Md.	Smith, Minn.
Brodbeck	Gerry	Lewis, Pa.	Smith, N. Y.
Broussard	Gillett	Lindquist	Stanley
Brown, N. Y.	Gittins	Loft	Stedman
Brown, W. Va.	Goldfogle	McAndrews	Stephens, Cal.
Browning	Graham, Ill.	MacDonald	Stevens, N. H.
Burke, Pa.	Graham, Pa.	Mahan	Stringer
Burke, Wis.	Green, Iowa	Maher	Sumners
Calder	Gregg	Martin	Sutherland
Callaway	Griffin	Merritt	Taylor, Colo.
Carr	Guernsey	Metz	Taylor, N. Y.
Cary	Hamill	Moss, W. Va.	Temple
Church	Harris	Mott	Ten Eyck
Clancy	Harrison	Murdock	Treadway
Clark, Fla.	Hinebaugh	Neeley, Kans.	Tribble
Claypool	Hobson	Neely, W. Va.	Tuttle
Coady	Hoxworth	Nolan, J. I.	Wallin
Connolly, Iowa	Hughes, W. Va.	Norton	Walters
Conry	Hulings	O'Hair	Watkins
Copley	Humphreys, Miss.	Paige, Mass.	Willis
Curry	Johnson, S. C.	Palmer	Wilson, Fla.
Dooling	Jones	Parker	Wilson, N. Y.
Edmonds	Keister	Patten, N. Y.	Winslow
Elder	Kelly, Pa.	Plumley	Woodruff
Estopinal	Kennedy, R. I.	Powers	Woods
Faison	Kent	Prouty	
Falconer	Kindel	Ragsdale	

The SPEAKER. On this call 294 Members, a quorum, have answered to their names.

Mr. WEBB. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will unlock the doors. The Chair, with the consent of the House, wishes to admonish the Members that the experiences of this week show that Members ought to stay here in their places. [Applause.] These eternal roll calls simply delay the time when we are going to get away from here. [Applause.]

Had the gentleman from Illinois concluded?

Mr. MANN. I had concluded my argument.

Mr. WEBB. Mr. Speaker, I do not profess to be an expert parliamentarian, but I think I have ordinary common sense, which may be applied to this situation. I feel that the point of order which my friend from Illinois [Mr. MANN] has made against this conference report is purely and entirely technical, just as much so as if he had made the point that we had put a comma at a certain place in a section whereas we ought to have left out the comma, and when we put it in simply for the purpose of making clear the meaning of that particular section. In order that the Speaker may understand the whole situation, section 9 of the House bill provided against three supposed evils. One was to prevent interlocking directorates between common carriers and supply houses. Another was interlocking directorates of banks, and the third was interlocking directorates of industrial corporations. As to banks the House passed a provision forbidding interlocking directorates of banks that had more than $2,500,000 deposits, capital stock, surplus, and undivided profits. The Senate struck out entirely the paragraph in our section 9 with reference to railroads interlocking in their directorates with supply houses. The Senate struck out entirely our paragraph of section 9 with reference to banks. Then it made a new section entirely, called section 7 as it passed the Senate, and inserted the language which we had in paragraph 3 of section 9, forbidding the interlocking directorates of industrials, making the limit $1,000,000.

Now, Mr. Speaker, my friend from Illinois will admit without question that the third paragraph of section 9 as the bill passed the House was never intended to apply to banks, because we had an express paragraph in section 9 which took care of interlocking directorates in banks.

Now, when the Senate struck out paragraphs 1 and 2, with reference to supply houses, common carriers, and banks, and retained for the most part the reference to interlocking directorates of industrial institutions, but later on struck out all reference to banks, and when we came to rewrite this entire section we restored a paragraph as a substitute with reference to interlocking directorates of supply houses and railroads. We restored in almost identical language the reference to banks, only increasing the limit from $2,500,000, as it passed the House, to $5,000,000, but in the very next paragraph we provide with reference to industrials that $1,000,000 shall be the limitation, and that it shall not apply to "banks, banking houses," or common carriers. Now, the point I made is that this is not material, substantial legislation. The conference did put in "banks and banking associations," in order to make perfectly clear what in my opinion is already clear; because in the preceding paragraph we had passed a section with reference to interlocking directorates of banks, and there we made the limitation $5,000,000. Now, it would be idiotic to say that we included also banks and banking associations in the paragraph referring to industrial corporations; and in order to make the paragraph perfectly plain, we inserted "other than banks and banks associations" and common carriers, which had no effect upon the meaning of that section. I contend, Mr. Speaker, that common sense ought to govern the action of this House and the ruling of the Speaker, and I know it will; and if you will read the section preceding the one that my friend excepts to, in which we take care of banks and make the limitation $5,000,000, the Speaker can never conclude, even though the words which my friend excepts to are stricken out, that the interlocking directorates provision with reference to industrials was also intended to cover banks, because we have already taken care of banks in a former section or a former paragraph, and we simply put into this section which my friend objects to that which is necessarily implied and expressed in the bill itself. I imagine this House and the Speaker will not while away the time over technicalities which are not new legislation, which are not substantial legislation, and which in no way change the effect or meaning of either one of these sections.

Mr. Speaker, that is all I care to say on the subject.

Mr. SHERLEY. Mr. Speaker, there is not much, if anything, that need be added to the statement of the gentleman from North Carolina [Mr. WEBB]. It needs only a detailed examination of what the House undertook to do in section 9, and what the Senate undertook to do in striking out section 9 and enacting section 7 (Senate print), to come to the conclusion that the conferees had jurisdiction of the matter which they have put into the conference report and which is complained of by the gentleman from Illinois [Mr. MANN].

Section 9 starts out by dealing with directors of railroad companies.

The SPEAKER. That is the original bill.

Mr. SHERLEY. The House bill. The first paragraph of section 9 deals with interlocking directorates of railroad companies and supply companies dealing with such railroads. The second paragraph deals with banks, trust companies, and banking associations, and then the latter part of section 9 deals with industrial corporations. Now, the provision as to interlocking directorates of banks was confined to banks having a capital and surplus of $2,500,000. The provision in regard to industrial corporations was confined to corporations having $1,000,000 of capital and surplus. When the Senate came to consider this it concluded to eliminate from the provisions of the act all reference to banking corporations, and it accordingly struck out that part of section 9 which had related to banking corporations. It carried in as a part of section 7 of the Senate bill a provision as to industrial corporations. Now, the last part of section 9 related not only to banking corporations, but to banking, industrial, and common-carrier corporations. In other words, the last part of the section contained general provisions relating to all three of the classes.

The Senate concluded to eliminate one of these classes, which was that of the banks, and carried the language relating to industrials into section 7. In order to emphasize that that was its purpose, when it came to deal with the general provisions of section 9 of the House bill, which it carried into section 7 of the Senate bill, it found it necessary to make another amendment. And so you find the words "bank or other" stricken out where they occur, so that the part of section 7 which was taken from the latter part of section 9 of the House bill reads:

> When any person elected or chosen as a director or officer or selected as an employee of any corporation subject to the provisions of this act,

They had eliminated banks as being subject to the provisions of this act, and therefore it was necessary to strike out, which they did, the words "bank or other." Now, what confronted the conferees? The House had provided that the provisions touching interlocking directorates should apply to three classes—common carriers, banks, and industrial corporations. The Senate had seen fit to eliminate the banks. That left in issue the material point of whether banking corporations should be brought within the provisions of the law prohibiting interlocking directorates. The House insisted on its provision, and was successful in its insistence, with one or two minor changes. The House had limited the provision as to banks by making it apply to banks with a capital stock of two and a half million dollars.

The conferees agreed that it should apply to banks with a capital and surplus of $5,000,000. In other words, the House conceded something by making the group smaller and requiring the banks to have a larger capital and surplus, and the Senate conceded something by including banks in it at all. That was a perfectly proper subject for consideration and determination, but evidently in reading the language of the act as it had been originally passed by the House and as it had been incorporated in part by the Senate in section 7, the question was raised as to whether it was not possible that section 7 might be held to apply to banks.

Now, it is perfectly clear to my mind that no court would have so held, because having expressly dealt with banks with a capital stock of two and a half million dollars, when you come to deal with industrial corporations of $1,000,000 any court would hold that the inclusion by name of banks and trust companies in one instance excluded them from the general provisions in the other, and, in addition, banks and trust companies are not such corporations as "are or shall have been theretofore, by virtue of their business and location of operation, competitors" with industrial corporations. The conferees having redrafted the matter, having gotten away from the language of section 9 of the House and section 7 of the Senate in many particulars, concluded that it would leave no matter of argument touching the language of section 7, and therefore the conferees inserted in the exclusion proviso what would have been held as excluded in the bill agreed to in conference even if not put there, to wit, "banks, banking associations, and trust companies," thus making it plain by the very expression itself that they, along with common carriers, were not within the group outlined as industrial corporations.

The rule touching conference reports is perfectly clear, and we are not at issue with the gentleman from Illinois as to that. Manifestly, matter not in issue between the two Houses can not be dealt with in conference, for the very proper rule that it should not be within the power of a few men representing the two Houses to express an opinion upon a matter which has not been considered previously by either House.

But here is a case where the House had considered the question of banks and what banks should be included in the provision touching interlocking directorates. The Senate had considered the matter to the extent of disagreeing entirely with the House and striking out the House provision. There was a direct issue. To say that it was not within the province of the conference to make it clear that only certain banks should be within the provision touching certain interlocking directorates, and that the provision touching industrial corporations was confined to such industrial corporations and should not by any stretch of construction be held to include banks, is to say what seems to be contrary, as the gentleman from North Carolina says, to the plain common sense of the situation.

Mr. MANN. Mr. Speaker, I do not think the gentleman from North Carolina [Mr. WEBB], or the gentleman from Kentucky [Mr. SHERLEY] quite appreciate what the House did in the bill which it passed, and yet they should know more about it than I do. There were several provisions in section 9 as it passed the House. I have referred to section 7, according to the conference report, which was one of those provisions, one of the last provisions in section 7.

The SPEAKER. The gentleman now is speaking of the original bill.

Mr. MANN. The original bill. It is printed as section 7 in the House print, and that is the one I commented on. That provision applies to all corporations except common carriers subject to the act to regulate interstate commerce and forbidding any person to be a director in two corporations either one of which has a capital of over a million dollars. That applies to a director in a bank and a director in a manufacturing institution. That prohibits a director of a bank with a capital of a million dollars in New York City being also a director in the Sugar Trust company or in any other company. That provision would have prevented Mr. Gary, an officer of the United States Steel Corporation, from being a director in a bank. He has recognized that far enough, supposing it would become a law, according to newspaper reports, by resigning from these other directorates. That provision was not limited as to any corporation with a capital of over a million dollars except as to common carriers, and the common-carrier provision is otherwise provided for by law. It extended to banks, to industrial corporations, to all kinds of corporations. The gentleman from Kentucky [Mr. SHERLEY] and the gentleman from North Carolina [Mr. WEBB] both said it applied only to industrial corporations. I do not know where they get a warrant for that. It is not in the bill. The language of the bill is:

That from and after two years from the date of the approval of this act no person at the same time shall be a director in any two or more corporations either of which has capital, surplus, and undivided profits aggregating more than $1,000,000.

With the further provision that it only applies where the corporations are in some sense competitive, in whole or in part. That covers the whole case, but applies only in case of competition. If the two corporations are in no sense competitive, in whole or in part, or engaged in commerce in whole or in part, that does not apply.

Let us see what the banking provision in the same section was. The banking provision was a prohibition that no two banks either one of which had a capital of two and a half million dollars should have the same director, if they were in a city of over 100,000 people. It made no difference whether they were competitive or not; it was not a matter of competition. That provision prohibited a bank in Chicago or in New York City from having as a director a man who was a director of a little outlying bank in the same city. Competition had nothing to do with it. The language of the bill made a specific provision, and it applied only to directors of banks. It only prohibited the director of one bank from being a director of another bank in a city of 100,000 inhabitants. There was no place in the bill except section 7 where there was a prohibition against a director of an industrial corporation being also the director of a bank. It certainly will not be contended by anyone on the floor of this House that after the Money Trust investigation, which cost such a large sum of money and which excited so much attention, an antitrust bill was passed through this House without any prohibition against a bank director also controlling an industrial corporation to which his bank was loaning money or that an industrial corporation with deposits in a bank could have as a director in that bank one of its own directors, who should control the supply of money which was being deposited. The whole theory of the antitrust legislation was to separate the control of money in the banks from the control of industrial corporations, so that all industrial corporations applying to banks should apply on even terms without being controlled by interlocking directorates. That provision was carried in the language of the bill passed by the House and agreed to by the Senate. And now the language which the gentleman says covers the subject only applied to directors as between two banks; it only applied to directors as between two banks when one of them had a capital of two and a half million dollars, and it only applied to banks in cities of over 100,000 inhabitants.

The matter that was in dispute between the two Houses was a Senate amendment which struck out that provision applying to banks in cities of 100,000 inhabitants where one of them had a capital of two and a half million dollars. The matter that was not in dispute between the two Houses was a prohibition, universal throughout the United States, that no bank or other corporation with a capital of a million dollars should have a director in any other corporation, whether it was a bank or an industrial corporation, with which it was in competition.

The gentleman practically admits that the conferees have no right to make the change in the text of the bill. They have the Senate amendment striking out the language of the House in reference to banks in cities of 100,000 inhabitants. That is before the conferees, and they can change it in any germane way. If they choose to insert in that a provision, and it should be germane, which wipes out another section of the bill, that would be within their province; but they have no right to change the text of the bill, and in this case the change of the text is not technical. It goes to the whole merits of this legislation. If there be anything needed in the legislation, it is to control the conditions between the people who supply the money and the people who use the money, so that all may be upon even terms; and if ever the teeth were drawn out of any provision of law, this unwarranted insertion in the text of the bill draws the teeth not only out of this bill but out of all propositions to control the supply of money.

Mr. DIFENDERFER. Mr. Speaker, will the gentleman yield for a question?

Mr. MANN. Yes.

Mr. DIFENDERFER. I would like to ask for information what the effect would be in a case of this kind—where a railroad in the State of Pennsylvania is a stockholder, or the directors of the railroad are stockholders, in a trust company, the same directors being directors in a banking institution. What would be the effect under such a provision such as we are now considering? Take another case, where a large banking institution has directors who are also directors of a large hat-manufacturing institution. What would be the effect in that case?

Mr. MANN. Mr. Speaker, if the language as perfected by the House and the Senate goes into the law without the change made by the conferees, there would be a provision against men acting as directors of a bank and a hat company if there were

any sort of competition. Of course this bill does not apply to railroad companies engaged in commerce.

The SPEAKER. The Chair will ask the gentleman from Illinois one question. Either in the House bill or the Senate amendment is the question of banks, banking associations, and trust companies mentioned?

Mr. MANN. Oh, certainly they are mentioned.

The SPEAKER. Were they cut out because of anything that was done?

Mr. MANN. I did not hear the Chair.

The SPEAKER. Were banks, banking associations, and trust companies cut out entirely from consideration because of anything that was done?

Mr. MANN. No; they were not cut out from consideration. The Senate adopted an amendment. The House bill carried a provision specifically referring to banks, banking associations, and trust companies in cities of over 100,000 inhabitants, and said that in that case no person should act as director of them if one of them had a capital of two and a half million dollars. The Senate struck that out. That amendment, of course, was in conference, and I think the language is subject to any germane amendment by the conferees.

The SPEAKER The Chair is ready to rule. In passing on this point of order, of course, the Chair has nothing to do whatever with the wisdom or advisability of this legislation in whole or in part. The only question is, Did the conferees exceed their authority by this language which they put in it as amendment by the conferees to Senate amendment numbered 43? The words added by the conferees are these: "banks, banking associations, trust companies, and." It is well established, and everybody who has paid any attention to it knows it, that the conferees can not go out and drag in new subjects of legislation. Now, if any gentleman is curious to read the decisions on the subject, if he will read two decisions that the present occupant of the chair himself rendered, in which the Chair collated substantially all decisions on the subject, he will have the whole thing within a small compass. These decisions which the Chair rendered are printed in the back of the rule book. The case at bar is this: Originally the House passed a bill with this paragraph in it. This is one of the paragraphs of section 9:

> That from and after two years from the date of approval of this act no person shall at the same time be a director or other officer or employee of more than one bank, banking association, or trust company organized or operating under the laws of the United States either of which has deposits, capital, surplus, and undivided profits aggregating more than $2,500,000.

The Senate struck it all out. The House never agreed to the Senate amendment striking out the House language. Therefore, in the judgment of the Chair, without elaborating this opinion and simply referring to the others, that subject was lawfully before the conferees. If any gentleman does not like the conference report, he has his remedy—to vote against it. The Chair thinks the conferees did not exceed their authority, and the point of order is overruled.

The gentleman from North Carolina [Mr. WEBB] has two and a half hours and the gentleman from Minesota [Mr. VOLSTEAD] has two and a half hours.

Mr. WEBB. Mr. Speaker, there has been a great deal of misinformation and misrepresentation about the meaning and effect of the antitrust bill, both as it passed the House and as it passed the Senate and as it came from conference. Some of this misinformation is pitiful ignorance; other of it is downright, deliberate misrepresentation. I noticed in a morning paper in Washington a few mornings ago a long write-up of the trust bill, and in it was this language:

> When the bill came from the Senate it was bristling with teeth.

Another out in Missouri stated that when the bill left the House it was harmless and innocuous and that it had been made strong in the Senate. Now, for just a little while, I want to tell the House in plain, straightforward, undisguised language what has taken place in both the House, Senate, and conference. I also desire to say I have no objection to being interrupted by any gentleman on the floor who wants to ask a question about any section or any amendment. Of course, I shall have to be brief, because we have only two and a half hours, and I am going to make my explanation as rapidly as it is possible for me to be understood clearly. Some one has stated that the House agreed to a great many of the Senate amendments and the Senate receded from very few, and that we receded from a great many more than they did. Now, there were 95 amendments made by the Senate. I think Members ought to realize what it meant to adjust 95 amendments between this House and the other; but, fortunately, most of these amendments—at least a majority of them—were immaterial, and a large number of them were simply a renumbering of sections, and there were a great many verbal amendments, such as changing "and" for "the," and so forth. I shall only mention the material amendments, unless some gentlemen desire to ask me about others. I hope Members of the House appreciate the difficulty under which the conferees began their deliberations. We had a large number of amendments in reference to an important measure. We wanted to do the right thing and the best thing for the people and for this country.

Now, the first amendment we readily agreed to was to except from the operation of this bill the Philippine Islands. We did that because the Sherman antitrust law does not apply to the Philippines. They have a law of their own over there. I suppose there is no objection on the part of the House or any Member of it to that first amendment. Immediately thereafter, Mr. Speaker, we struck trouble. When the bill passed the House it contained sections 2, 3, and 4—section 2 forbidding discrimination in price; section 3 forbidding arbitrary refusal to sell mine products, and so forth; section 4 forbidding tying contracts. That is the way it passed the House. Each one of these sections as it passed the House had a criminal penalty attached to it. When the bill went to the Senate it was referred to the Judiciary Committee, and the Senate Judiciary Committee struck out the criminal penalties in sections 2 and 4 of our bill, and struck out entirely section 3. When the bill was carried to the Senate floor the Senate not only approved striking out the criminal penalties in sections 2 and 4—that is, with reference to discrimination in price and tying contracts—but they also struck out the sections themselves and left these subjects to the trade commission. The House should consider this particular bill that we have under consideration now in connection with the Trade Commission bill and the Sherman antitrust law, because we are trying to wedge in this bill and give it a place somewhere between those two measures. As you know, the Trade Commission bill was passed after this bill passed the House and before the trust bill passed the Senate.

Now, when we assembled in conference we found our tying-clause section, section 4, and we found our discriminating-in-price section, section 2, absolutely eliminated from our bill, and this was done not by the conferees, but by the Senate itself on a roll-call vote. Sections 2 and 4 were stricken out in that way.

Now, there were those who insisted that we ought to have criminal penalties attached to these two sections, 2 and 4. Others, however, took the position that the sections ought to go out entirely, because we had in the meantime passed the Trade Commission bill with section 5 in it which denounced as unlawful unfair methods of competition, and that the Trade Commission could and would take up all the acts denounced in sections 2 and 4, and prevent their further commission. So, between those two ideas the battle raged for nearly three weeks. We finally agreed to the Senate amendments striking out the criminal penalties, but to retain sections 2 and 4 as they went from the House, with an amendment which denounced as unlawful the tying contract and the discrimination in price. But as originally drawn they were criminal sections, and section 2 made it a crime to discriminate in price for the purpose of destroying or injuring a competitor. We thought that was probably too restricted. We agreed, instead of retaining the language "with purpose or intent thereby to destroy or wrongfully injure the business of a competitor," and so forth, to insert this language: "Where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce." We felt that that would tend to give the section more elasticity and breadth. That is the reason we accepted this amendment, and forbade discriminating in price when the effect of such discrimination might be to substantially lessen competition or tend to create a monopoly.

We did the same thing with reference to section 4, which forbade the tying contract. I may say, Mr. Speaker, that on the Senate floor Senator WALSH, after section 4 had been stricken out, with reference to tying contracts, offered an amendment which the Senate passed as a substitute for our section 4, prohibiting tying contracts in connection with patented articles, requiring the person with whom the contract is made to use exclusively other unpatented articles. It was evident that that amendment was aimed at the United Shoe Machinery Co. Senator REED offered an amendment making the violation of Senator WALSH'S section a criminal offense. Now, when we came to conference, the Senate having stricken out the criminal penalties of sections 2 and 4, and interlocking directorates of banks, and so forth, we finally agreed to strike out the criminal penalty to Senator WALSH'S amendment, which he agreed ought to be done, and reinstated our section 4, with the additional words "whether patented or unpatented," so that section 4, as we al-

ways understood why it passed the House, now covers patented as well as unpatented articles.

Mr. STAFFORD. Does the gentleman consider that section 3 as agreed upon by the conferees is as strong in its limitations and prohibitions as the Walsh amendment as embodied in section 2 of the Senate bill?

Mr. WEBB. Yes, sir; in civil remedies.

Mr. STAFFORD. That it will prevent, for instance, the United Shoe Machinery Co. from entering into such binding contracts as now exist with the users of their machinery, that they will be forbidden to use machinery of other competitors, and keep companies, for instance the Dick Co., from forbidding the use of their mimeograph machines with stationery and supplies not furnished by that company.

Mr. WEBB. I will say to my friend that, in my opinion, immediately after the President signs this bill with section 3 in it every such contract made by the United Shoe Machinery Co. will become unlawful, because they may not only lessen substantial competition, but they do it. They not only tend to create monopoly, but they do it.

Mr. STAFFORD. And it is also the gentleman's opinion that it will correct the conditions referred to by Chief Justice White in the Dick case?

Mr. WEBB. I think so. It was intended to do it, and I believe it will.

Mr. STAFFORD. Of course there is no question but that the language of the Walsh amendment would do it. The language of that amendment is clear and positive and would cover such cases. The language of the amendment agreed to by the conferees I do not believe is as clear and forceful as the Walsh amendment.

Mr. WEBB. We can be certain of nothing until the Supreme Court passes upon it, but I will say that Senator WALSH, who introduced the amendment, is satisfied that the section as the conference presents it will cover the case it is intended to cover, and I hope it will. I am in favor of repealing the opinion in the case of Dick against Henry. Those are the sections around which such a war has been waged in the last few weeks in the other branch of the Congress.

Now, let us see if these sections are "toothless." It is contended that we have extracted the teeth because we have left out the criminal penalties. But I will tell you, my friends——

Mr. HARDY. Will the gentleman yield for just one question?

Mr. WEBB. Yes, sir.

Mr. HARDY. If I caught your expressions correctly—and I will ask if I have—one essential change, as I understand it, is that you let the unlawfulness of these contracts hinge not on the purpose of them but on the effect of them?

Mr. WEBB. Yes, sir; and tendency.

Mr. HARDY. Effect and tendency?

Mr. WEBB. Yes.

Mr. HARDY. Does not that make the law stronger than if it depended upon the purpose being shown?

Mr. WEBB. Yes. I believe it will be easier to prove a violation in a civil suit.

Mr. HARDY. That is what I thought.

Mr. WEBB. Now, gentlemen, as to the "teeth" that they say have been extracted from this bill. I tell you that there are more "teeth" in these two sections than anyone may imagine, and I am going to show you the "teeth." All through this bill we have provided civil remedies to stop the practices denounced in sections 2 and 3 of the conference report, and I for one was very, very insistent on keeping these two sections in the bill in order that these extraordinary remedies given to the individual might apply.

Now, here is the first "tooth" I will refer you to, and that is in section 4:

That any person who shall be injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefor in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the cost of suit, including a reasonable attorney's fee.

Now, let a business man somewhere in the United States, or 40 or 50 of them, be damaged by the things that are denounced as unlawful in this section, and let them all bring suit. That is bigger, as my friend from Kentucky [Mr. JOHNSON] says, than a "harrow tooth," and will have a more deterrent effect on the men who practice those things than a mere criminal penalty, and we all know that the disinclination of juries in some quarters to convict men under these criminal sections has resulted in their acquittal. For instance, take the case of the Beef Trust. The average man thought the Beef Trust was a criminal, but the jury in Chicago would not convict them. Now, the next thing is to give the individual who is harmed by these practices—not necessarily restraints of trade or monopolies, but things that lead up to restraints of trade and monopolies—the right to bring suit for any amount he pleases.

But it goes still further—

Mr. BARTLETT. That is the identical provision that the House adopted?

Mr. WEBB. Yes; that is the identical provision that the House adopted, and we kept it in the bill.

Mr. STAFFORD. Mr. Speaker, will the gentleman permit an interruption?

Mr. WEBB. Yes.

Mr. STAFFORD. Take the case of the shoe manufacturers of the country, where they suffer by reason of the monopoly of the United Shoe Machinery Co. Suppose a shoe manufacturer should go into court and bring suit against the United Shoe Machinery Co. Where would their damages be? They would not be able to prove any damages, because it was based on supposition.

Mr. WEBB. If a man has been damaged and it is not speculative, he can prove it in court.

Mr. STAFFORD. It is speculative entirely, and this will not give him any relief, because you are not punishing the concerns criminally for the offense.

Mr. WEBB. If the gentleman will go with me one step further, I will show him how he can stop it as an individual, and not depend upon the Government of the United States to do so. That is something new. Section 6 of the House bill, which is section 5 of the conference report, provides, among other things, that—

Whenever any suit or proceeding in equity or criminal prosecution is instituted by the United States to prevent, restrain, or punish violations of any of the antitrust laws the running of the statute of limitations in respect of each and every private right of action arising under said laws and based in whole or in part on any matter complained of in said suit or proceeding shall be suspended during the pendency thereof.

Now, I call the attention of my friend from Wisconsin [Mr. STAFFORD] and the attention of the House to section 11, which is another "tooth," as reported by the conferees. It reads as follows:

That authority to enforce compliance with sections 2, 3, 7, and 8 of this act by the persons respectively subject thereto is hereby vested in the Interstate Commerce Commission where applicable to common carriers, in the Federal Reserve Board where applicable to banks, banking associations, and trust companies, and in the Federal Trade Commission where applicable to all other character of commerce, to be exercised as follows.

Now, the value of these two sections is this: That they not only give the individual the right to sue for treble damages where he pleases, and we not only suspend the statute of limitations against an individual if a Government suit is brought against a trust, but we also require the Federal Trade Commission to stop these practices and take those guilty of such practices into court.

But that is not all. Some argue that after the Trade Commission takes jurisdiction that excludes individuals from pursuing these other remedies. The bill further provides:

No order of the commission or board or the judgment of the court to enforce the same shall in any wise relieve or absolve any person from any liability under the antitrust acts.

So you have three or four distinct remedies, all of which may be invoked at the same time.

Now, section 12 provides—

That any suit, action, or proceeding under the antitrust laws against a corporation may be brought not only in the judicial district whereof it is an inhabitant, but also in any district wherein it may be found or transacts business; and all process in such cases may be served in the district of which it is an inhabitant or wherever it may be found.

I will say to my friend from Wisconsin that we are liberalizing the procedure in the courts in order to give the individual who is damaged the right to get his damages anywhere—anywhere you can catch the offender, as is suggested by a friend sitting near by. And that is not all. Section 15 provides—

That the several district courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this act, and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition setting forth the case and praying that such violation shall be enjoined or otherwise prohibited.

Mr. BATHRICK. Mr. Speaker, will the gentleman yield?

Mr. WEBB. Yes, sir.

Mr. BATHRICK. How does the gentleman construe those words "under the direction of the Attorney General"? Does that mean that a district attorney can not act unless he receives direction from the Attorney General?

Mr. WEBB. Yes. That is the universal rule. The Attorney General, being the head of the Department of Justice of the United States, should be consulted before the bringing of one of these suits.

Mr. BARTLETT. That is the same language as in the Sherman law.

Mr. WEBB. Yes. That is the language in the Sherman law. It extends to the acts denounced in this particular bill, also. But if any district attorney in the United States feels that these sections are being violated, all he has to do is to ask the Attorney General for permission to institute suit, and begin proceedings immediately.

Mr. BATHRICK. If we have some Attorneys General such as we have had in the past, the directions will not be given.

Mr. WEBB. Yes; of course. But we must leave something to the Executive. We can not do everything by legislation. We must leave something to the Department of Justice and the courts. But that is not the only remedy, I will say to my friend. I have narrated three or four. If the Attorney General should be negligent, the individual himself has a wide-open door to go into court and sue. And he can not only do that, but listen to the language of section 16:

SEC. 16. That any person, firm, corporation, or association shall be entitled to sue for and have injunctive relief, in any court of the United States having jurisdiction over the parties, against threatened loss or damage by a violation of the antitrust laws, including sections 2, 3—

These two sections which we are discussing now—

7 and 8 of this act, when and under the same conditions and principles as injunctive relief against threatened conduct that will cause loss or damage is granted by courts of equity, under the rules governing such proceedings, and upon the execution of proper bond against damages for an injunction improvidently granted and a showing that the danger of irreparable loss or damage is immediate, a preliminary injunction may issue.

There are five different distinct civil remedies that are given to individuals, to the Department of Justice, and to the Trade Commission for the purpose of preventing and restraining the acts denounced in sections 2 and 4, which are sections 2 and 3 of the bill under consideration as it came from the conference.

Mr. BATHRICK. Will the gentleman yield?

Mr. WEBB. Yes.

Mr. BATHRICK. Perhaps this elaboration of the gentleman's statement will be correct with respect to the power to pray for an injunction: It means that whereas an injunction can not be issued against a labor organization unless proof is conclusive that irreparable direct damage is imminent, the individual engaged in commerce who is threatened by a trust or combination can also sue for an injunction on the same terms that injunctions are issued or asked for against labor organizations.

Mr. WEBB. There are two different provisions, but the last statement of the gentleman is correct—that anybody who is threatened by any loss or damage by reason of any act denounced in this bill or in the Sherman antitrust law can go into court as an individual and restrain those acts. Heretofore that has been left to the Government of the United States. Heretofore the individual had no power to seek injunctive relief. He was relegated to a mere suit for damages, but now he can go into courts of equity and restrain those acts which seem imminent in threatening him with loss or damage.

Mr. LEVY. Will the gentleman yield?

Mr. WEBB. Yes.

Mr. LEVY. Does the bill provide any means by which the business interests of the country can be protected? Suppose a lot of blackmailers bring suit for damages against business men all over the United States. Is there any protection provided for the business interests of the country?

Mr. WEBB. Yes; there is protection for the business man. Somebody may go down and undertake to squat on your magnificent estate in Virginia, but you can put him off. You can not prevent him from squatting, but you can bring a suit and put him off.

Mr. LEVY. But is there nothing to prevent business men from being blackmailed? This bill is all in favor of the complainant.

Mr. WEBB. Before the gentleman gets to his hotel to-night somebody may have him arrested on a charge of murder; but that does not make the gentleman guilty. I do not know any way to stop a man from making accusations or bringing a suit, but people soon get tired of bringing blackmailing suits when they are mulcted in costs, and there are not very many such suits brought.

Mr. HARDY. Will the gentleman yield, right along that line?

Mr. WEBB. Yes.

Mr. HARDY. I know in my own State we have criminal laws against the keepers of disorderly houses and against the renting of premises for such purposes. Those criminal laws were very difficult to enforce; but when we passed also a law authorizing courts to issue injunctions against the renting of houses for such purposes and for the bringing of the parties before the courts in injunction proceedings it grew to be a much more serious matter, and it was much more easily enforced than the criminal law had been. So is there not a possibility that the power of injunction provided in your law may be far more effective than any criminal statute?

Mr. WEBB. I am glad my friend has injected that statement into the RECORD, because in the conference I was insistent on retaining these criminal penalties; but I hope I can be fair, and I believe we have put into this law sections giving private parties injunctive relief which will probably be a far greater deterrent than the right lodged in the Department of Justice alone to bring an indictment.

Mr. HARDY. I wish to supplement that by saying that that injunctive process in the matter I referred to in my State has been manifold more effective than the old criminal statute.

Mr. WEBB. I hope it will be just as effective under this law when it is passed.

Mr. TALCOTT of New York. Will the gentleman yield?

Mr. WEBB. I yield to the gentleman.

Mr. TALCOTT of New York. Is it not true that the Sherman Act provides criminal penalties?

Mr. WEBB. It does.

Mr. TALCOTT of New York. And in a great many of the cases referred to in this act, does it not?

Mr. WEBB. I do not know that I understand my friend.

Mr. TALCOTT of New York. I mean in regard to a great many of the acts referred to in this law.

Mr. WEBB. If the acts complained of restrain trade, or attempt to monopolize, then the persons guilty of them subject themselves to criminal penalties under the Sherman law. This bill which we are now considering preserves that right and makes guilt personal, and that is the only way in which we have undertaken to amend the Sherman antitrust law at all—that is, in making guilt personal.

Mr. RUCKER. It provides imprisonment as well as fine.

Mr. WEBB. Yes.

Mr. RUCKER. And that is the best part of the whole thing. One term in jail will do more good than a hundred civil suits.

Mr. ALEXANDER. This bill undertakes to prohibit those acts which lead to monopoly which the Sherman antitrust law does not reach. This bill makes those specific acts unlawful, and they may be restrained by civil remedies.

Mr. WEBB. Exactly.

Mr. ALEXANDER. But if they culminate in violation of the Sherman antitrust law, then they may be prosecuted civilly and criminally.

Mr. WEBB. Exactly. That is a fair statement of it, and that is what led a great many Members of the House and Senate to the conclusion that those acts that did not violate the Sherman law should not be denounced as criminal acts in the first instance in a new law. If a number of small links in the chain finally result in violation of the Sherman law, then the person who constructs the chain becomes subject to the pains and penalties of the Sherman law. A person who only builds one link in the chain is denounced here. There are people, and honest people, who thought that we ought not to put a man in jail for making one link, but that we should forbid him from forging other links. The Sherman law takes care of restraints of trade and monopoly. This bill is intended to prevent those individual acts which, if multiplied and persisted in, may lead to a violation of the Sherman law.

Mr. GOULDEN. Will the gentleman yield?

Mr. WEBB. Yes.

Mr. GOULDEN. In the elimination of criminal prosecutions as proposed by the conference, does the gentleman think it will have the same moral effect on the man who is an offender under this law and that you propose to reach by this change?

Mr. WEBB. If I had to choose between the civil remedies provided in this bill and the criminal provisions, I would let the criminal penalties go and keep the civil remedies. Personally, I would like to have seen both kept in the bill.

Mr. GOULDEN. Is it not much simpler and more effective to prosecute for criminal offenses of this character?

Mr. WEBB. No; if a criminal offense, you have to bring one suit through the Department of Justice. Under the civil remedies any man throughout the United States, hundreds and thousands, can bring suit in the various jurisdictions, and thus the offender will begin to open his eyes because you are threatening to take money out of his pocket.

Mr. GOULDEN. And the gentleman does not think it would be more difficult to prosecute under the civil law as now proposed than under the criminal law as originally passed by the House?

Mr. WEBB. No; a preponderance of evidence suffices in a civil action. Guilt beyond a reasonable doubt must be shown in criminal actions.

Mr. BATHRICK. Will the gentleman yield?

Mr. WEBB. Yes.

Mr. BATHRICK. Does not the gentleman think that the process against a trust or combination by injunction is a weakness because of the necessity of the plaintiff giving a bond? If the plaintiff applies to the court for an injunction, the size of the bond will be determined by the court on a temporary injunction, and the defendant or the person accused can come into court and perhaps show that the damages will be very large, and the bond should be large enough to cover all possible damages in case the injunction should be decided against the plaintiff. Thus he could run the defendant out of court by the size of the bond. There is the weakness of the injunction remedy, as it seems to me. I would like to get the gentleman's opinion on it.

Mr. WEBB. The size of the bond is within the discretion of the court. The gentleman would not give everybody the right to go into court and ask for an injunction without some bond covering the possible damage.

Mr. BATHRICK. The gentleman from North Carolina is familiar enough with the practice to know that plaintiffs are often deterred from applying for injunctions because of the necessity of putting up a bond. That is the weakness of the process.

Mr. WEBB. My friend knows that a bond in individual cases could not under the court's ruling be very large, because it would apply only to the individual's damage, and would not be like an injunction stopping the whole business of the defendant in all sections and States. It would be only in reference to a particular locality, and the damages could not be very great.

Mr. BATHRICK. Oh, yes; but the defendants would come in and try to show that the damages were going to be very large and that they required a very large bond.

Mr. WEBB. Then that is a weakness of our whole judicial system. A sensible judge can adjust that trouble. But a man that alleges a thing must prove it.

Mr. BATHRICK. As compared with a threatened term in jail or a fine under a criminal prosecution, the injunctive process is very weak, in my opinion.

Mr. WEBB. Well, that is the gentleman's opinion, and there are other men who agree with him.

Mr. BARTLETT. If the gentleman from North Carolina will pardon me, I call attention to the fact that the bond is only conditioned on the ground that the injunction was improvidently granted.

Mr. WEBB. Exactly.

Mr. RUSSELL. Will the gentleman yield?

Mr. WEBB. Certainly.

Mr. RUSSELL. I understand the proceeding by injunction for relief of the parties damaged is not the only remedy.

Mr. WEBB. Oh, no; it is only one of five different remedies.

Mr. RUSSELL. They have the right to sue for damages or for treble damages without any injunction proceeding at all.

Mr. WEBB. Certainly; the remedies are cumulative. The remedies pile up, and all of the remedies are open to the individual and to the Government in a suit.

Mr. HARDY. Will the gentleman yield?

Mr. WEBB. I will.

Mr. HARDY. Under the bill does the Government have the authority to bring suit for injunction as well as private parties?

Mr. WEBB. Yes. Section 15 gives the district attorneys under the direction of the Attorney General the right to apply for an injunction.

Mr. HARDY. And when that is done there is no bond required.

Mr. WEBB. Not at all.

Mr. HARDY. In our State the statute authorized the district attorneys to bring injunction suits against the houses that I have spoken of, and the result is that the process brought by the district attorneys has closed up the places.

Mr. WEBB. Yes; this bill is as strong in civil remedies as a bill can be made, in my opinion.

Now let us pass to section 6, which refers to the "conclusiveness" or "prima facie" effect of judgments in Government suits against the trusts. As the House passed the section we made such judgment "conclusive." The Senate struck out the word "conclusive" and inserted "prima facie." Personally, I think the Senate did the best thing by making it "prima facie." I doubt whether the courts would have held that the "conclusive" provision was constitutional. On the other hand, I believe that the "prima facie" effect of the judgment is as powerful before a jury as if you had said that it was "conclusive." A great many lawyers, and some of the best ones in the Government service, think that a provision making the judgment conclusive would have rendered the bill unconstitutional, but with the "prima facie" provision it is constitutional and will be as effective as if we had left it "conclusive."

It is further provided in that section that the "prima facie" effect shall not apply to consent judgments that are taken before any evidence is introduced. There has been some criticism of this provision. For the life of me, I can not see the justice of the criticism. If the Government brings a suit against a trust or monopoly and it surrenders, we eliminate the effect of the "prima facie" judgment. If it fights and loses, then the "prima facie" effect is given final judgment in the suit.

Mr. SELDOMRIDGE. What section is that?

Mr. WEBB. Section 5 of the bill now before the House; old section 6 in the House bill.

Mr. BATHRICK. That means, in one analysis at least, that if a trust, having pursued unfair methods of competition, having crushed out its small competitors, and at last having gotten into the meshes of the law, desires to walk up, with the loot in its pocket, and say it pleads guilty, it avoids all use of the testimony taken in the Government action against it on the part of a private plaintiff who desires to recover damages.

Mr. WEBB. No; a consent judgment has the same effect that it would have had if the trust had fought out the case, but such judgment does not have a "prima facie" effect when used in evidence.

Mr. BATHRICK. If he consents to judgment.

Mr. WEBB. That is right. I want to say to the gentleman that we went over that with the Attorney General of the United States and a great many men who are just as much interested in the execution of the trust laws as is the gentleman. One attorney and a stenographer settled the celebrated New Haven case, whereas if we had given this prima facie effect to that judgment the Government would have been fighting now, and possibly for years, and it would have cost the Government millions of dollars to bring them to their knees, for they would not have "consented" to such a judgment. The Government does not bring these suits for the purpose of giving a private individual the right to sue or to help a private individual. The Government brings these suits for and on behalf of the whole people and in an effort to stop further monopoly and restraint of trade, for the benefit of all.

Mr. Speaker, in our old section 7, section 6 of the conference report, known as the labor section, the Senate inserted these words:

> The labor of a human being is not a commodity or article of commerce.

Of course that is a mere legislative declaration or postulate. I do not think it does any harm. I do not know that it does any good. Your conferees agreed to let it remain. The Senate struck out in that section the words "consumers," "orders," "or associations," and made the section apply, therefore, to labor, agricultural, or horticultural organizations, and struck out fraternal and consumers' organizations, and your conferees agreed to that.

In section 8 of the House bill, section 7 of the new bill, the holding-company section, we had a provision in this language: "Where the effect of such acquisition is to eliminate or substantially lessen competition."

Mr. STAFFORD. Mr. Speaker, before the gentleman goes to that section, will he yield for a question?

Mr. WEBB. Certainly.

Mr. STAFFORD. Did not the conferees accept a very important amendment of the Senate the absence of which was the cause of a noted discussion in the papers between former Attorney General Wickersham and Mr. Untermyer—that as to this labor section as it passed the House, though the organization had been forbidden to do anything but carry out its legitimate objects, nevertheless, as the Attorney General claimed, they were permitted to indulge in unlawful practices, and the Senate incorporated the word "lawfully," so as to read, "lawfully carrying out the legitimate objects thereof," so as to overcome the objections pointed out by former Attorney General Wickersham?

Mr. WEBB. I do not know what moved the Senate to put that word in. We had no objection to it, and hence accepted the amendment.

Mr. STAFFORD. The gentleman did not refer to it, and I regard it as a rather potent amendment.

Mr. WEBB. No; I did not refer to it, but the omission was not intentional. I do not think it affects the section one way or the other. I think it is put in simply to ease some people's conscience, and that is all. I do not think it gives any more or any less effect to this section as we passed it. We agreed to it. Of course, as I suggested, they could only carry out "legitimate" objects of the organization in a "lawful" manner, but we had no objection to putting in the word "lawfully."

Mr. SWITZER. Mr. Speaker, will the gentleman yield?

Mr. WEBB. Yes.

Mr. SWITZER. Will the gentleman please state in more detail what the effect of this section would be?

Mr. WEBB. I can not now take the time to do that. I discussed that when the bill passed the House. The meaning of the section has not been affected at all, except that we have eliminated "consumers" and "fraternal" organizations from it.

Mr. Speaker, in reference to section 7 of the conference bill, being section 8 of the House bill, the holding-company provision, we had in that section the words "where the effect of such acquisition is to eliminate or substantially lessen competition." The Senate struck out the word "eliminate" and inserted the words "may be," so that it would read "where the effect of such acquisition may be to substantially lessen competition," and your conferees agreed to it, and also agreed to insert the words "or to restrain such commerce in any section or community," and to strike out the words "trade in any section or community," so that it will read as follows:

SEC. 7. That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of another corporation engaged also in commerce where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

That is the effect of the amendment to this section. There is nothing material with reference to the remainder of that section.

We now come to the old House section 9, being section 8 of the bill as reported by the conferees. As I stated a while ago, the Senate struck out the language with reference to interlocking directorates of banks and added language with reference to the interlocking directorates of railroads and supply houses, leaving in interlocking directorates of industrial institutions. The Senate agreed to put back our provision as to banks with an amendment to this effect: That instead of having a two-and-a-half-million-dollar limitation, we increase the limitation to $5,000,000, and instead of having the limitation apply to cities of 100,000 population or over, we make it apply to cities of 200,000 population or over. There are only 28 cities in the United States that have more than 200,000 population, and only 270 banks that have more than $5,000,000 in capital, surplus, deposits, and undivided profits. The judgment of every Member of the House, I think, agrees upon the idea that there should not be this widespread interlocking directorates in these big banks, and we have undertaken to make the best provision possible under the difficult circumstances.

There are Members and Senators who object to this provision. They want no interlocking directorates of banks prohibited whatever; but we thought that a man who was a director of a bank with $5,000,000 capital, deposits, and surplus was sufficiently engaged in looking after its funds, and his hands were fairly well filled. Now, in reference to railroad interlocking directorates and supply houses, the Senate offered a substitute for it and we agreed to it. It is not as rigid as our section, but we believe it is as effective, if not more effective. We simply prohibited interlocking directorates. The Senate provision went some distance in that direction and the conferees worked out a final substitute for it which prohibits transactions between a supply house and a railroad which has a common director if the amount of the transactions exceed $50,000 in any one year. If it exceeds that, then the railroad must buy by competitive bidding and buy for the best interest of the common carrier, and each bidder's name must be given, and then the names of all bids and addresses of the persons making bids shall be transferred to the Interstate Commerce Commission. They shall enforce that provision under such rules and regulations as they may make. We believe that we have a section which will bring more material advantage than possibly this original section would.

Mr. LEVY. Will the gentleman yield?

Mr. WEBB. Yes; for a question.

Mr. LEVY. Has the gentleman taken into consideration that the Interstate Commerce Commission has so much business before it now that they can not attend to it?

Mr. WEBB. Yes; we have taken that into consideration.

Mr. LEVY. It will take a year for them to render a decision. Why not refer it to some other commission?

Mr. WEBB. We will give them liberal opportunity in——

Mr. LEVY. There are five commissioners who are perfectly incompetent, and they have brought the greatest railroad system of this country into great financial stress. Does the gentleman want still to give them more power?

Mr. JOHNSON of Kentucky. Which five? Will the gentleman name them?

Mr. LEVY. Mr. Daniels and the gentleman from Kentucky have voted fairly, but the other five——

Mr. WEBB. Mr. Speaker, I refuse to yield further on this subject.

Mr. BARTLETT. Is it not a fact that the railroad managers have about brought the stockholders to bankruptcy?

Mr. LEVY. It is fortunate the railroads are not all bankrupt.

Mr. BATHRICK. Will the gentleman yield?

Mr. WEBB. Yes.

Mr. BATHRICK. I simply ask for information——

Mr. WEBB. I will be glad to give to my friend anything I have in the way of information.

Mr. BATHRICK. Do I understand the gentleman had embodied in some part of the bill—my attention was distracted at the moment from his statement—that he has embodied in some part of the bill a provision including the first paragraph of section 9 substantially?

Mr. WEBB. Yes, sir; and I think it is an effective section, too.

Mr. HENRY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore (Mr. BEALL of Texas). But the gentleman from North Carolina has the floor.

Mr. HENRY. Mr. Speaker, I make the point there is no quorum present.

The SPEAKER pro tempore. Does the gentleman from North Carolina yield to the gentleman from Texas?

Mr. WEBB. I would rather not; I am about to conclude.

Mr. HENRY. Mr. Speaker, have I not the right to make the point of no quorum without the gentleman yielding for the purpose? Have I not the right to ask for a quorum?

The SPEAKER pro tempore. The gentleman from North Carolina has the floor.

Mr. HENRY. Have I not the right to have a quorum present in order to transact business?

The SPEAKER pro tempore. The Chair does not think the gentleman from Texas can take the gentleman from North Carolina off the floor.

Mr. HENRY. Mr. Speaker, I would like to be heard on the point of order.

The SPEAKER pro tempore. The gentleman from North Carolina has the floor and has not yielded.

Mr. WEBB. Mr. Speaker, I was about to take up section 17——

Mr. HENRY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from North Carolina has the floor and has not yielded.

Mr. HENRY. Mr. Speaker——

The SPEAKER pro tempore. The gentleman from North Carolina has the floor.

Mr. HENRY. Mr. Speaker, I appeal from the decision of the Chair.

The SPEAKER pro tempore. The gentleman from North Carolina has the floor, and no gentleman can be recognized until he yields. [Applause.]

Mr. HENRY. Does the Chair make that as a formal ruling?

Mr. COOPER. Regular order!

The SPEAKER pro tempore. The Chair rules that the gentleman from North Carolina has the floor.

Mr. HENRY. Does the Chair rule that the point of no quorum can not be made now?

Mr. BARTLETT. The Chair does not recognize the gentleman.

The SPEAKER pro tempore. The Chair has not recognized the gentleman from Texas to make the point of no quorum or for any other purpose. [Applause.]

Mr. HENRY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from North Carolina has the floor.

Mr. HENRY. When will the Chair recognize me to make the point of no quorum.

The SPEAKER pro tempore. When the gentleman from Texas is entitled to recognition. [Laughter.]

Mr. WEBB. I hope, Mr. Speaker, this will not be taken out of my time.

Mr. BARTLETT. Mr. Speaker, I call the gentleman from Texas to order.

Mr. HENRY. Mr. Speaker, I wish to submit a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from North Carolina yield for that purpose?

Mr. WEBB. Mr. Speaker, I am very anxious to get through with this.

Mr. HENRY. Mr. Speaker, have I not the right to submit a parliamentary inquiry at this stage of the proceedings?

The SPEAKER pro tempore. As the present occupant of the chair understands, the gentleman from North Carolina [Mr. WEBB] has not yielded.

Mr. HENRY. When will it be in order?

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. WEBB] will proceed.

Mr. HENRY. Mr. Speaker, when will it be in order to submit a parliamentary inquiry?

Mr. WEBB. Mr. Speaker, I am still proceeding.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. WEBB] has the floor.

Mr. HENRY. Will not the gentleman yield for me to submit a parliamentary inquiry?

Mr. WEBB. I would rather not do it at this time, I will say to my friend.

Mr. HENRY. When will the gentleman yield?

Mr. WEBB. In a few minutes.

Mr. HENRY. In how many minutes?

Mr. WEBB. In five minutes. I want to continue as to section 17 if I may have order.

Mr. HENRY. Mr. Speaker, will I be recognized, when the gentleman yields, to make the point of no quorum?

The SPEAKER pro tempore. If the gentleman from North Carolina yields.

Mr. HENRY. When he yields the floor may I be recognized to make the point of no quorum?

The SPEAKER pro tempore. That can be reached when the gentleman from North Carolina concludes.

Mr. HENRY. I presume it will not be reached——

The SPEAKER pro tempore. The gentleman from Texas [Mr. HENRY] will please take his seat.

Mr. HENRY. I presume, under the circumstances, I will have to be outraged by the ruling of the Chair, as the Chair does not recognize the Constitution or the rules of this House——

The SPEAKER pro tempore. The gentleman will take his seat.

Mr. HENRY (continuing). Or the laws of parliamentary procedure.

Mr. COOPER. Regular order, Mr. Speaker.

Mr. WEBB. Now, Mr. Speaker——

Mr. HENRY. For the present I will yield, because the Speaker is simply abusing the privileges of the Chair.

Mr. MANN. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MANN. I do not understand that the gentleman from North Carolina [Mr. WEBB] has to yield the floor in order that the point of no quorum may be made. Does the Chair rule that a man can not make a point of order——

Mr. HENRY. He has already ruled that.

The SPEAKER pro tempore. Is the point of order that the gentleman from North Carolina is not proceeding in order?

Mr. HENRY. The gentleman from Texas was proceeding in order.

The SPEAKER pro tempore. The gentleman from Texas will please permit the Chair to make a statement to the gentleman from Illinois, that he understands that the gentleman from North Carolina has the floor, and that he is entitled to retain the floor until he yields upon the request of some gentleman. Of course, as the Chair understands it—but he may be incorrect—if a point of order is made that the gentleman from North Carolina is violating any rules of the House, it will be a point of order that the Chair will be compelled to entertain.

Mr. MANN. I rise to a point of order. The question is whether I may be permitted to state it or not, or whether the Chair holds that a man rising to a point of order can not state it.

Mr. WEBB. I do not want to be taken off my feet.

The SPEAKER pro tempore. The Chair has no way of knowing what the point of order of the gentleman from Illinois [Mr. MANN] is until it is stated.

Mr. MANN. I make the point of order that any gentleman has the right to make the point of no quorum in accordance with the constitutional provision, and that the right of a quorum in the House does not depend on the special privilege of some Member on the floor as to whether he will yield or not.

The SPEAKER pro tempore. The gentleman from Illinois may be right about that. If he can find any authority to that effect, the Chair will be glad to hear it.

Mr. HENRY. The Chair would not permit me to offer authority. The Chair would not permit me to read the Constitution.

The SPEAKER pro tempore. The Chair is familiar with the Constitution. If there is any ruling that a Member having the floor can be taken off the floor by another Member for the purpose of making a point of no quorum——

Mr. HENRY. With all due respect——

The SPEAKER pro tempore. Will the gentleman from Texas permit the Chair to finish the statement? If the gentleman can submit any ruling that he is entitled to make the point of no quorum when the gentleman from North Carolina has the floor without the gentleman from North Carolina yielding the Chair will yield ready obedience to it.

Mr. HENRY. Just as soon as I can get the Manual and the Constitution I will read it.

The SPEAKER pro tempore. In the meanwhile the gentleman from North Carolina [Mr. WEBB] will proceed.

Mr. HENRY. With all due respect to the Chair, I want to make the point of no quorum at this juncture. I have a right to make that point, and if the Chair will let me read the Constitution——

Mr. WEBB. Mr. Speaker, I regret very much that the point of no quorum has been interjected in my speech here.

Mr. HENRY. I will submit authority to the Chair, but I hope the Speaker, Mr. CLARK, will be in the chair when I submit it.

The SPEAKER pro tempore. The Chair hopes so, too. The gentleman from North Carolina [Mr. WEBB] will proceed.

Mr. WEBB. Mr. Speaker, in section 17 of the bill we had the words "property or property rights"——

The SPEAKER resumed the chair.

The SPEAKER. The House will be in order.

Mr. HENRY. Mr. Speaker, I make the point that there is no quorum present.

Mr. WEBB. Mr. Speaker, I am still talking. [Laughter.]

The SPEAKER. The Chair will count. [After counting.] One hundred and thirty-seven Members are present—not a quorum.

Mr. UNDERWOOD. Mr. Speaker, I move a call of the House.

Mr. WEBB. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Alabama and the gentleman from North Carolina both move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Fess	Knowland, J. R.	Reed
Anthony	Finley	Konop	Reilly, Conn.
Austin	Fowler	Korbly	Riordan
Bartholdt	Francis	Lafferty	Sabath
Bell, Cal.	French	Langley	Scully
Britten	Gard	L'Engle	Shreve
Brodbeck	George	Lenroot	Sims
Brown, N. Y.	Gerry	Lever	Slemp
Brown, W. Va.	Gittins	Lewis, Pa.	Smith, Md.
Browning	Goldfogle	Lindquist	Smith, Minn.
Burgess	Graham, Ill.	Loft	Smith, N. Y.
Burke, Pa.	Graham, Pa.	McAndrews	Stedman
Burke, Wis.	Gregg	MacDonald	Stephens, Cal.
Byrnes, S. C.	Guernsey	Mahan	Stevens, N. H.
Calder	Hamill	Maher	Stout
Callaway	Hardwick	Martin	Stringer
Carr	Harris	Merritt	Sumners
Cary	Harrison	Moss, Ind.	Taylor, N. Y.
Church	Hayes	Moss, W. Va.	Temple
Clancy	Hinebaugh	Mott	Ten Eyck
Claypool	Hobson	Murdock	Treadway
Coady	Hoxworth	Neeley, Kans.	Underhill
Connolly, Iowa	Hughes, W. Va.	Nolan, J. I.	Wallin
Conry	Hulings	Norton	Walters
Copley	Humphreys, Miss.	O'Hair	Watkins
Dies	Johnson, Utah	Paige, Mass.	Willis
Doremus	Jones	Palmer	Wilson, Fla.
Eagle	Keister	Parker	Wilson, N. Y.
Edmonds	Kelly, Pa.	Patten, N. Y.	Winslow
Elder	Kennedy, R. I.	Patton, Pa.	Woodruff
Estopinal	Kent	Peters	Woods
Evans	Key, Ohio	Powers	
Faison	Kindel	Rainey	

The SPEAKER. On this call 298 Members—a quorum—have answered to their names

Mr. WEBB. Mr Speaker, I move to dispense with further proceedings under the call.

The SPEAKER The gentleman from North Carolina [Mr. WEBB] moves to dispense with further proceedings under the call. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. WEBB rose.

The SPEAKER. The gentleman from North Carolina [Mr. WEBB] is recognized.

Mr. WEBB. Mr. Speaker, before the point of no quorum was made I was about to briefly discuss section 17 of the bill as agreed to by the conference, which is section 15 of the bill as

passed by the House. There is very little material amendment to this section. The Senate struck out the language "property or a property right of the applicant" which we had in the bill, and we have left it that way, so that the damage must result to the applicant, and so forth; and at the expiration of the time, which we set at 10 days, the time may be increased if good cause is shown, and the reasons for such extension shall be entered of record.

In section 19 of the conference bill, or section 17 of the House bill, we added the word "officers," as well as "agents, servants, employees, and attorneys, or those in active concert," and so forth, and after those words we put in the words "or participating."

Section 20 is practically as it passed the House as section 18. This is the much-discussed labor section, where certain acts are described and declared to be not unlawful under the laws of the United States. This is the celebrated section about which my friend from Pennsylvania [Mr. MOORE] made his vehement speech after the bill had passed almost unanimously in the House, and I presume out of deference to his position some of the Senate and the House conferees agreed to strike out this language in section 18 of the House bill, or section 20 of the conference bill:

Or from attending at or near a house or place where any person resides or works, or carries on business or happens to be, for the purpose of peacefully obtaining or communicating information.

Now, the House conferees agreed that those words should go out and the more euphonious ones, though just as effective and meaning the same thing, should be inserted, to wit:

Or from attending at any place where any such person or persons may lawfully be for the purpose of peacefully obtaining or communicating information.

We knew when the bill passed the House that we did not authorize anybody to be at a place where he might not lawfully be. We authorized nobody to violate the laws of the States; and so, in order to make it a little more euphonious and maybe a little less harsh-sounding, we agreed to these words, which do not change the meaning or the effect of the section in any degree.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield to me for a question?

The SPEAKER. Does the gentleman from North Carolina yield to the gentleman from Iowa?

Mr. WEBB. Just for a question.

Mr. GREEN of Iowa. That is all. As I understand, the words "such person" refers back to the word "individual" at the beginning of the section?

Mr. WEBB. We struck out "individual," which the Senate inserted, and restored the word "person," which includes persons, individuals, corporations, and everybody else that can act.

Mr. GREEN of Iowa. It refers to the party that has gone to the particular place?

Mr. WEBB. Oh, yes.

Mr. AVIS. Mr. Speaker, will the gentleman yield for a question?

The SPEAKER. Does the gentleman from North Carolina yield to the gentleman from West Virginia?

Mr. WEBB. Yes; for a question.

Mr. AVIS. I would like to ask the gentleman if in his opinion the two sections relating to labor are different from what the law is at the present time? Do they give any more right to labor than has been given by court decisions?

Mr. WEBB. I think they do. They make the law uniform where heretofore certain courts have held one thing and certain other courts have held another thing with reference to these labor questions. This is a codification of labor's rights, to apply to the whole United States.

Mr. AVIS. Does the gentleman think it gives them any more rights than they already had?

Mr. WEBB. I have not the time to go into the details of this section, and I can not now discuss what I already discussed fully months ago when the bill was before the House. I am now informing the House as to the amendments agreed to in the conference.

Mr. AVIS. I was asking the gentleman's opinion of the matter.

Mr. WEBB. I think the two sections constitute labor's bill of rights that they have been clamoring for for 25 years; and we have written into the statute law what is considered to be the best opinions of the courts as to labor and labor's rights.

Now, Mr Speaker, at the end of this paragraph we used the words "nor shall any of the acts specified in this paragraph be considered or held unlawful" when the bill passed the House. The Senate struck out the word "unlawful" and inserted the words "to be violations of any law of the United States," and the conferees agreed to it.

Now, in section 21, with reference to contempts, in the House bill we provided—

That any person who shall willfully disobey any lawful writ, process, order, rule, decree, or command of any district court of the United States or any court of the District of Columbia by doing any act or thing therein or thereby forbidden to be done by him if the act or thing so done by him be of such character as to constitute also a criminal offense under any statute of the United States or at common law.

The Senate struck out the words "at common law" and inserted "under the laws of any State in which the act was committed," and the House agreed to it. Those amendments are more or less immaterial.

Now, Mr. Speaker, that covers the ground as well as I am able to do it in the limited time. I realize that there is a wide difference of opinion as to trust legislation in the House, especially on the Republican side. Some of our Republican friends think the bill is too drastic. That idea cropped out in the Senate. Senator BORAH, an able Republican, declared that this legislation was useless, that the Sherman antitrust law was sufficient, and it was unnecessary to pass this bill.

Senator WEEKS declared that it was drastic because it was unfair to the United Shoe Machinery Co.

Mr. MANN. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. MANN. I do not think the gentleman can refer in the House to what has taken place in the Senate.

Mr. WEBB. I am not criticizing Senators. I am simply stating what I gather from the CONGRESSIONAL RECORD——

Mr. MANN. Yes, I know; but that is against the rule.

The SPEAKER. It is against the rule to refer to what is done in the Senate.

Mr. WEBB. Mr. Speaker, I understand that; but under certain limitations it ought to be allowed. I heard a Senator the other day in the Senate read page after page of what House Members had said, both on the floor of the House and elsewhere; but I do not care to refer to it if it is objectionable to my friend.

The SPEAKER. It is against the rule, although it is frequently done when nobody raises the point of order.

Mr. WEBB. I was only illustrating the fact that there is a vast difference of opinion among Republicans, both Senators and Representatives, as to this legislation. It cropped out when the bill was presented to the House. Some of them said the bill was too drastic, and they were inclined to criticize the committee for reporting out a bill of that kind. Others of my Republican colleagues declared that the bill was not drastic enough and that it had no "teeth." So it appears that we are certain to be criticized, no matter what we do. It reminds me of a fellow who had been in the habit of getting drunk. He had been to town and was going home pretty well intoxicated. It was a cold night. He was pretty full and was staggering from side to side of the road. He had spent his substance in riotous living and was beginning to feel pretty poor, and as he stumbled along he soliloquized in this wise: "I wonder if my wife Nancy is sitting up burning the candle. If she is burning that candle when I get home, I will whip her, sure. I am too poor a man to have candles burned at night when I am not there."

Then he staggered along for a mile or two, and it grew very cold. He had forgotten his poverty, and was thinking about a good warm fire and a light in the window, and a good warm place to sleep, and he soliloquized like this: "I wonder if my wife Nancy has gone to bed, blown out the candle, and put out the fire, and has no warm welcome for me. If she has blown out that candle, I will whip her sure." So in any event, Mr. Speaker, Nancy was due to get a licking, and in any event the Democrats who presented this bill must be criticized by some Republicans, though 54 of them voted for it when it passed the House——

Mr. MANN. They will get a licking, too. [Laughter and applause on the Republican side.]

Mr. WEBB. The Democrats of our committee are sure to be criticized, from one quarter or the other, by a part of our divided friends on the other side of the Chamber who can not get together themselves. Part of them are asking that criminal penalties be imposed; the other part would vote against this bill if criminal penalties were imposed; so we have a hard job to satisfy them all. We hope we will satisfy those fair-minded ones who will give us credit for having done the best we could with this troublesome question. [Applause.] I am obliged to the House for their attention.

The SPEAKER. The gentleman from Minnesota [Mr. VOLSTEAD] is recognized for two hours and a half.

Mr. VOLSTEAD. Mr. Speaker, the gentleman from North Carolina [Mr. WEBB] has given us his views of this bill and has attempted to defend it and show its virtues. Allow me to point out some of its vices. This bill proposes a radical change from the policy that has been approved, both by Democrats and Republicans, in the past. There are no platform declarations in favor of any such policy as this. Heretofore whenever commerce has been restrained, whenever monopoly has been attempted, we have denounced it as a criminal offense. We have never undertaken to palter with it in any fashion. We have always said that a man who was willing to rob the many was no less guilty than the man who robbed a single individual.

In the bill presented here you are providing one rule for the individual who steals from you, and an entirely different rule for the one who steals from the community at large. The rich offender that robs the public of millions and in conscienceless fashion squeezes the last penny out of his helpless victim must not be sent to jail—he is too good for that; but if some poor fellow robs a henroost and gets caught, we betide him—jails are made for such as he. This bill contains a great many sections, but there are but four sections that deal directly with trusts by defining offenses that lessen competition or tend to create monopolies. They are sections 2, 3, 7, and 8. These sections were enacted as a part of the House bill. They then contained criminal penalties in line with a policy that has always been pursued in dealing with like offenses. Now they come back to us without such penalties, but with a provision for their enforcement that seems to me utterly ineffective for any practical purpose.

There are only two sections in the bill—both inserted in the Senate—that contain criminal penalties. But let me remind you that those only protect corporations. They do not deal with the acts that directly oppress the public; that put persons out of business; that send people to the poorhouse. They deal with offenses against corporations, and are designed to protect corporations against the dishonesty of their officers. It is a singular fact that only those two sections have criminal penalties. It would thus appear that those who are sponsors for this bill are more anxious to protect the stockholders of a corporation—perchance a trust—against the dishonesty of its officers than they are to protect the people injured by the trusts. If you illegally ruin a competitor or rob the public, you are only to be admonished to quit; but if you do the same thing to a corporation you go to jail. When this bill becomes a law it will give notice to the courts and to the prosecuting officers that hereafter a new policy is to be pursued, not one of punishment, but one of moral suasion.

I want to call your attention to the nature of these four sections, to show you to what extent they cover and are offered as a substitute for the Sherman law.

Section 2 defines an offense that is well known—that of driving out a competitor by selling below cost in the community where the competitor is doing business while recouping the loss in other localities. This has several times been condemned by our Supreme Court as a violation of the Sherman law. It restrains trade by destroying competition. During late years it has been used more than any other means for suppressing competition and maintaining monopoly. This offense was regarded of so great importance that the last Democratic platform declared that as one of the things that ought to be specifically condemned. No doubt those who wrote that platform expected that when written into law it would have stringent criminal penalties, but instead of that it has been put into this bill without any kind of a penalty. In the last few years some 20 States have found it necessary to pass stringent laws with drastic penalties against the practice.

The third section as written in the conference report declares illegal what is known as tying contracts. These contracts have become widely known as another of the chief means by which combinations in restraint of trade are being built up. Some of the most unconscionable trusts are making use of this form of combination to maintain monopoly.

Mr. STAFFORD. Will the gentleman yield?

Mr. VOLSTEAD. I will.

Mr. STAFFORD. I wish to inquire whether, in the opinion of the gentleman, section 3 as agreed to by the conferees is as stringent in its effect as Senate section 2?

Mr. VOLSTEAD. I consider it much less effective.

Mr. MOORE. Will the gentleman yield?

Mr. VOLSTEAD. For a question.

Mr. MOORE. Does the gentleman observe any improvement here over the Sherman antitrust law in this sentence agreed upon in conference in section 3, "where the effect of such lease, sale, or contract for sale, or such condition, agreement, or understanding may be to substantially lessen competition or tend to create a monopoly in any line of commerce"?

Mr. VOLSTEAD. It is unquestionably much weaker than the Sherman law. I shall try to point out the reason why.

Mr. MOORE. It certainly has not made it any stronger.

Mr. VOLSTEAD. It certainly has not. It reenacts the Sherman law with limitations that will make these sections less effective than that law.

Section 7 prohibits one corporation from purchasing the capital stock of another corporation, but it is so limited and restricted that it is much less effective than the Sherman law. Those familiar with the litigation that has been going on in reference to trusts know that this is the modern method of creating trusts. One corporation will purchase the stock of another corporation and thus consolidate the corporations. There can be no competition between corporations owned by the same parties; people do not compete with themselves.

Section 8 relates to the interlocking of directors. That section if it had a criminal penalty might have had some effect. It may in some respects go beyond the Sherman law, but the evil that it is aimed at is reached by that law; but it is harmless with or without penalties for its enforcement. It does not reach the real evil, because it does not forbid the community of interest that interlocking directors represent. It will only tend to create dummy directors and conceal the real parties guilty of wrongdoing.

Under these four sections nearly every trust in this country can be proceeded against, and it seems to me that in the future this will be the method of procedure. This bill declares this to be the new policy of the Democratic Party. I hope that no Republican will vote for any such policy. [Applause on the Republican side.] If we abandon criminal penalties as a means for the enforcement of the Sherman law, no one will care for that law. Think of what greed has dared to do in the past with prison doors staring the offenders in the face, while the Government has been spending millions to enforce those penalties!

Now let me call your attention to the methods that are to be pursued in the enforcement of these four important propositions. Here is what it provides:

> The authority to enforce sections 2, 3, 7, and 8 of this act by the persons respectively subject thereto is hereby vested in the Interstate Commerce Commission where applicable to common carriers, in the Federal Reserve Board where applicable to banks, banking associations, and trust companies, and in the Federal Trade Commission where applicable to all other commerce.

Mr. HENRY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and twenty-two Members present—not a quorum.

Mr. WEBB. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Allen	Connelly, Kans.	Harris	McLaughlin
Anderson	Connolly, Iowa	Harrison	MacDonald
Ansberry	Conry	Hayden	Mahan
Anthony	Copley	Hensley	Maher
Austin	Davenport	Hinebaugh	Martin
Baker	Doremus	Hobson	Merritt
Bartholdt	Eagle	Hoxworth	Metz
Bathrick	Edmonds	Hughes, W. Va.	Mondell
Beall, Tex.	Elder	Hulings	Morgan, La.
Bell, Cal.	Estopinal	Humphreys, Miss.	Morin
Bowdle	Evans	Johnson, S. C.	Moss, W. Va.
Britten	Faison	Johnson, Utah	Mott
Brodbeck	Falconer	Jones	Murdock
Broussard	Ferris	Keister	Neeley, Kans.
Brown, N. Y.	Fess	Kelly, Pa.	Neely, W. Va.
Brown, W. Va.	Finley	Kennedy, R. I.	Nolan, J. I.
Browning	Fordney	Kent	Norton
Brumbaugh	Fowler	Key, Ohio	O'Hair
Burgess	Francis	Kindel	Paige, Mass.
Burke, Pa.	Frear	Knowland, J. R.	Palmer
Burke, Wis.	French	Konop	Parker
Butler	Gardner	Korbly	Patten, N. Y.
Calder	George	Langley	Porter
Callaway	Gerry	L'Engle	Post
Candler, Miss.	Gillett	Lenroot	Powers
Carlin	Gittins	Lewis, Pa.	Ragsdale
Carr	Goldfogle	Lindbergh	Rainey
Cary	Graham, Ill.	Lindquist	Reed
Chandler, N. Y.	Graham, Pa.	Linthicum	Reilly, Conn.
Church	Gregg	Loft	Riordan
Clancy	Guernsey	McAndrews	Roberts, Mass.
Clark, Fla.	Hamill	McGuire, Okla.	Sabath
Coady	Hardwick	McKenzie	Scully

Sells	Stedman	Temple	Willis
Shreve	Stephens, Cal.	Ten Eyck	Wilson, Fla.
Sims	Stevens, N. H.	Towner	Wilson, N. Y.
Slemp	Stout	Treadway	Winslow
Small	Stringer	Tuttle	Woodruff
Smith, Md.	Sumners	Wallin	Woods
Smith, Minn.	Taggart	Watkins	
Smith, N. Y.	Taylor, Ala.	Weaver	
Sparkman	Taylor, N. Y.	Whitacre	

The SPEAKER. Two hundred and sixty-three Members have answered to their names—a quorum.

Mr. WEBB. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. VOLSTEAD. Mr. Speaker, in case a complaint is made of any violation of any of these sections an application is to be made to the commissions or board having jurisdiction for an investigation. No doubt, as has been customary under the Sherman law, an investigation will be started ex parte to begin with. Testimony will be taken and inspectors sent out to learn whether there is any reason to believe that an offense has been committed. If it is found that a successful prosecution can be had under any one of these sections, a complaint may be served upon the offender. That complaint has the effect of giving jurisdiction. It is equivalent to the bringing of a lawsuit. There is nothing in this bill that hastens or expedites the trial of any matter before one of these commissions. A trial must be had just the same as in a court. Attorneys will appear, evidence will be introduced on both sides, and when the thing is finally ended, if an offense is found to exist, the commission or the board, whichever may happen to try the matter, will make a report to that effect and serve a notice on the offending party to quit.

After the report has been made and the notice has been served, what happens? How is it enforced? No penalty is imposed, no fine is collected, not even the cost of the proceedings, and no one is sent to jail. There is no loss to the party who has been violating this law. He is not to part with any of his ill-gotten gains. If he is not satisfied to quit, he may bring a suit in a circuit court for the purpose of setting aside the report, or he may treat it with contempt. In case he does not comply, the commission or board may bring suit in some circuit court for the enforcement of the notice. There the party is treated just the same as if he had appealed from a judgment of a district court to the circuit court of appeals. In the circuit court the findings of fact by a commission or board will be conclusive if there is any evidence to support them. In this it does not differ from findings of fact made by a district court when considered on appeal. After it has been retried in the circuit court of appeals it may then go to the Supreme Court on certiorari. At the end of this wearisome proceeding, which must take years, as the experience of the past demonstrates, what is the result? There is still no penalty, no fine, no imprisonment. All that is done is to issue a writ of injunction forbidding the practice. Think of that as an effective remedy against important trust violations!

The party is not to lose anything except the costs perhaps at the end of the litigation in the circuit court or in the Supreme Court. He does not even lose the costs before the commission or board, as there is no provision that any costs can be taxed. What have you gained? You have taken four of the most important provisions of the Sherman law out of that law and placed them in four separate and distinct sections. You have turned these offenses over to a commission or board for trial, there they are to be tried the same as they are tried now in the district courts. At the end you get not an injunction, but a notice to quit. If you sue to enforce this notice you get an injunction limited by this section to the enforcement of this notice. It can not reach the other offenses usually connected with these illegal practices so as to afford complete relief as under the Sherman law.

Mr. MOORE. Mr. Speaker——

The SPEAKER. Will the gentleman yield?

Mr. VOLSTEAD. I do.

Mr. MOORE. As a matter of fact, has it not been made more difficult to prosecute the trusts under this system than it was heretofore?

Mr. VOLSTEAD. I think it makes it exceedingly difficult. Not only will it take years before the courts can determine just what rights parties have under this dual system, but it also greatly weakens present law.

It has been claimed that the various matters defined and declared illegal in this bill are outside and beyond the Sherman law. That contention rests upon the claim that the Sherman law does not forbid anything that simply tends to restrain commerce or competition, or that tends to monopoly; that it only condemns restraint of trade and monopoly. Such a contention is clearly without merit.

Mr. MADDEN. Mr. Speaker, I suggest the lack of a quorum. I think this is one of the most interesting speeches the House has had made for a long time, and there ought to be more here to listen to it.

The SPEAKER. The gentleman from Illinois makes the point of order there is no quorum present. The Chair will count. [After counting.] One hundred and fifty-one gentlemen are present—not a quorum.

Mr. WEBB. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from North Carolina moves a call of the House.

The motion was agreed to.

The roll was called, and the following Members failed to answer to their names:

Aiken	Faison	Korbly	Rouse
Ainey	Fess	Langham	Rucker
Anderson	Fowler	Langley	Sabath
Ansberry	Francis	L'Engle	Scully
Anthony	Frear	Lenroot	Seldomridge
Austin	French	Lewis, Md.	Sells
Baker	Gardner	Lewis, Pa.	Shreve
Bartholdt	George	Lindquist	Sinnott
Bathrick	Gerry	Linthicum	Slemp
Bell, Cal.	Gittins	Loft	Smith, Md.
Britten	Goldfogle	McAndrews	Smith, Minn.
Brodbeck	Graham, Ill.	McGuire, Okla.	Smith, N. Y.
Brown, N. Y.	Graham, Pa.	MacDonald	Smith, Tex.
Brown, W. Va.	Gregg	Mahan	Sparkman
Browne, Wis.	Guernsey	Maher	Stedman
Browning	Hamill	Manahan	Steenerson
Brumbaugh	Harris	Martin	Stephens, Cal.
Burgess	Harrison	Merritt	Stevens, N. H.
Burke, Pa.	Haugen	Mondell	Stout
Burke, Wis.	Helvering	Morrison	Stringer
Butler	Hinds	Moss, W. Va.	Sumners
Calder	Hinebaugh	Mott	Talbott, Md.
Callaway	Hobson	Mulkey	Taylor, Ala.
Carlin	Howard	Murdock	Taylor, N. Y.
Carr	Hoxworth	Neeley, Kans.	Temple
Cary	Hughes, W. Va.	Nolan, J. I.	Ten Eyck
Chandler, N. Y.	Hulings	Norton	Treadway
Church	Hull	O'Hair	Tuttle
Clancy	Humphrey, Wash.	Paige, Mass.	Underhill
Clark, Fla.	Humphreys, Miss.	Palmer	Walker
Claypool	Johnson, S. C.	Parker	Wallin
Connolly, Iowa	Jones	Patten, N. Y.	Walters
Conry	Keister	Plumley	Watkins
Copley	Kelly, Pa.	Porter	Whaley
Danforth	Kennedy, R. I.	Post	Whitacre
Doremus	Kent	Powers	Willis
Eagle	Kettner	Ragsdale	Wilson, Fla.
Elder	Key, Ohio	Rainey	Wilson, N. Y.
Estopinal	Kindel	Reed	Winslow
Evans	Knowland, J. R.	Riordan	Woodruff
Fairchild	Konop	Roberts, Mass.	Woods

The SPEAKER. On this vote 264 Members have responded to their names—a quorum.

Mr. WEBB. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The gentleman from Minnesota [Mr. VOLSTEAD] is recognized.

Mr. VOLSTEAD. Mr. Speaker, none of the acts described in sections 2, 3, or 7 are declared illegal unless their effect may be to substantially lessen competition or tend to create a monopoly in any line of commerce. All acts of that kind are now forbidden by the Sherman law, and these sections simply repeat in somewhat different language what that act now forbids. The courts have repeatedly translated the Sherman law into the language used in this bill, save for some limitations that will greatly weaken that law, and to which I desire to direct your attention.

The Supreme Court in the Northern Securities Co. case, reported in the One hundred and ninety-third United States Reports, page 331, used this language:

> That to vitiate a combination such as the act of Congress condemns it need not be shown that the combination in fact results or will result in total suppression of trade or in a complete monopoly, but it is only essential to show that by its necessary operation it tends to restrain interstate or international trade or commerce or tends to create a monopoly in such trade or commerce and to deprive the public of the advantages that flow from free competition.

Take that language—it declares that anything that tends to restrain trade or to create a monopoly or to deprive the public of free competition is illegal under the Sherman law—the very language in this bill. Plainly, anything that tends to lessen competition tends to deprive the public of free competition. But let me read another passage from this same case. It says:

> The means employed in respect to the combinations forbidden by the antitrust act and which Congress deemed germane to the end to be accomplished was to prescribe as a rule for interstate and international commerce (not for domestic commerce) that it shall not be vexed by combinations or monopolies which restrain commerce by destroying or restricting competition. Congress has prescribed such a rule, but because in all prior cases in this court the antitrust act has been con-

strued as forbidding any combination which by its necessary operation destroys or restricts free competition among those engaged in interstate commerce; in other words, that to destroy or to restrict free competition in interstate commerce was to restrain such commerce.

It will be noticed that the power to restrict competition, which is simply the power to lessen competition, is declared to be a restraint of trade. This construction of the antitrust act was absolutely necessary to the decision in that case. There was no restraint of trade unless the power to lessen competition *constituted* such restraint. There was no proof that any competition had been lessened, and it was claimed that less than 4 per cent of the traffic of the two roads that had been combined could be affected by the combination. Still the combination was held illegal. Substantially the same doctrine was laid down in the Union Pacific case, decided in 1912. There less than 4 per cent; in fact, less than 1 per cent, of the commerce was involved in the combination declared illegal. This doctrine is also found in the Knight case, reported in One hundred and fifty-sixth United States; in the Addystone Pipe Co. case, reported in One hundred and seventy-fifth United States; and in Waters-Pierce Co. against Texas, reported in Two hundred and twelfth United States.

The *English Encyclopedia of Law and Procedure*, volume 27, page 889, says that both under the common law and under this statute contracts that are designed to suppress or restrict competition are in restraint of trade.

I am aware that there are cases that hold certain restraints of trade or of competition not illegal, but this bill will not change those cases. Those decisions rest upon old common-law doctrines that our Supreme Court preserved by saying that Congress only intended to prohibit direct restraints and not indirect or incidental restraints. The object of the Sherman law is to preserve free competition. As every restraint of trade lessens competition, such restraints are forbidden. To lessen competition, restrains trade and defeats the only object of the law. While this may be conceded, it has been claimed that the Sherman law only covers combinations and that the sections in this bill do not deal with combinations, and hence the acts which they declare illegal are not covered by that law. This contention finds no support in either the language of the Sherman law or in court decisions. The first section of the Sherman law forbids all contracts or combinations in restraint of trade. Rice *v.* Standard Oil Co. (134 Fed., 464) and cases cited therein point out that it is not necessary to prove any combination if a contract in restraint of trade is shown. Chief Justice White in the Standard Oil Co. case said, in construing the act, that all restraints of trade and all acts that tend to monopoly are covered under the second section of the act, whether covered by any of the specific language of the act or not:

In Gompers *v.* Bucks Stove & Range Co. (221 U. S., 418), after citing Loewe *v.* Lawler, this court said (p. 438): "But the principle announced by the court was general. It (the Sherman Act) covered any illegal means by which interstate commerce is restrained, whether by unlawful combinations of capital or unlawful combinations of labor; and we think also whether the restraint be occasioned by unlawful contracts, trusts, pooling arrangements, blacklists, boycotts, coercion, threats, intimidation, and whether these be made effective, in whole or in part, by acts, words, or printed matter."

That these sections modify the Sherman Act is apparent. It is true that you may have an act denounced as an offense under two different statutes, but the Sherman law does not only define a crime, it also defines a man's rights in regard to property. Our courts can not be expected to assume that Congress intended that a person's right to property shall be held valid under one law in one court and void under other law in another court. They will harmonize the two laws by holding that this modifies the Sherman law, as it will be the last legislative expression on the subject.

In view of the fact that this bill covers offenses under the Sherman Act, it is important to consider whether it repeals any of the criminal penalties that now apply to acts defined in this bill. It is a familiar rule that if you reenact a statute and modify it or lessen or increase its penalties the old statute is repealed; that is, it is repealed by implication.

There is in this bill no provision that the Sherman law is not to be repealed as to any of the acts condemned in sections 2, 3, and 8. There is a provision in the last paragraph of section 7 which may preserve to some extent the Sherman law as to acts described in that section, but, like much of this bill, it is so doubtful in its language that it is hard to tell whether it preserves the law as against future offenses or only preserves it as to past offenses. But there is no such provision as to sections 2, 3, and 7. If they are inconsistent with that law, there can be no doubt they modify it. I think they are clearly in conflict.

For instance, sections 2, 3, and 7 provide that before an act shall be illegal competition must be substantially lessened. Nowhere has our Supreme Court said that competition must be substantially lessened to make restraint of trade illegal. They have repeatedly held that any direct restraint is illegal. But here you have added a limitation upon the power of the courts by requiring a substantially lessening of competition before an act can be declared illegal, instead of simply a lessening of or restriction of competition. Instead of free competition being the rule established by Congress, as said by the Supreme Court, this permits competition to be lessened.

This is a very vicious kind of legislation, because it leaves to the court an almost limitless discretion. Under the evidence in almost any case it may be held that there is no substantial lessening of competition. One court may find no substantial lessening of competition, while another, just as honest, might say there is. Take, for instance, the case to which I called your attention—the case of the Union Pacific Railroad. In that case the circuit court of appeals held that the competition was so small that it was negligible, while the Supreme Court held that that was not true, holding that they could not measure the quantity of the competition that was destroyed; that the law was that any contract or combination that restrained trade is a violation of the law, and as such is condemned. The court in the Northern Security Co. case cited with approval from an Ohio you have written into the bill a provision to the effect that comcase the following:

It is no answer to say that competition in the salt trade was not in fact destroyed or that the price of the commodity was not unreasonably advanced. Courts will not stop to inquire as to the degree of injury inflicted on the public; it is enough to know that the inevitable tendency of such contracts is injurious to the public.

This bill invites the court to make such an inquiry and substitutes the judgment of the court for the judgment of Congress.

Let me call your attention to the fact that the Democratic platform criticized the Supreme Court for having read into the Sherman law the word "unreasonable," so as to make it read "unreasonable restraint of trade." Now, in this bill you have done nothing to eliminate that word, although when we started to frame it a great many bills were introduced to effect that purpose. You have left the word unreasonable in the law, and you have added to the difficulty, added to the mischief, by requiring not only that the restraint must be unreasonable but that it shall be a substantial restraint of trade.

But you have done another thing that seems to me still worse—a thing that must necessarily modify the Sherman Act. You require that an act to be illegal must not only substantially lessen competition, but it must substantially lessen competition "in a line of commerce." Here is the language:

Where the effect may be to substantially lessen competition or tend to create monopoly in any line of commerce.

Under the decision of our Supreme Court a lessening of competition in any section, in any community, in any part of commerce, is a violation of the provisions of the Sherman law. But petition must be substantially lessened in a line of commerce before an act is illegal. How are men going to protect themselves under this law? For instance, take one of the large concerns like the Standard Oil Co. or the United States Steel Co., operating throughout the length and breadth of this country. How can the small man, operating, say, in one town, secure protection against the illegal methods of such a company? If he is ruined, his elimination will not substantially lessen competition in a line of trade. It would be utterly impossible to prove in a civil action brought to recover damages for a violation of this law a substantial lessening of competition in any line of commerce. Even if the whole commerce carried on by the United States Steel Co. should be affected to some extent, it may not in the judgment of a court establish that the whole line of commerce is substantially affected. This makes it necessary that it shall affect the commerce throughout the country——

Mr. GOOD. In that line.

Mr. VOLSTEAD. Yes; in that line.

Now, this limitation has been written into sections 2, 3, and 7. It was never in the Sherman law. There never was any excuse for writing it in this bill. It can have but one purpose, and that is to change existing law. When the Supreme Court comes to construe the Sherman law it will certainly say that so far as sections 2, 3, and 8 cover offenses now covered by the Sherman law that law has been modified and the criminal penalties are repealed.

There is another significant fact that indicates clearly an intention to modify the Sherman law in addition to the fact that it reenacts in modified form essential features of it, and that is this: Section 7 has a paragraph that attempts to preserve in force the Sherman law as to matters covered by that section. If it had been the intention to preserve the Sherman law as against conflict with sections 2, 3, and 8, why was that

provision in section 7 confined entirely to section 7 and not made to apply also to sections 2, 3, and 8? Will not the court necessarily have to say that if Congress had intended that sections 2, 3, and 8 should not modify the Sherman law, it would have made a provision to that effect the same as is made in section 7?

My attention has been called to a provision in section 11 relating to the effect of the orders and judgments made in the enforcement of these sections. It is claimed that as these are not to be a bar to any liability under the Sherman law that law is to remain in force. To contend that this saves the Sherman law begs the question. The Sherman law will still be in force when this statute is passed. The question is, How much of it will be in force? The acts that are declared illegal by these sections may be a part of a combination or conspiracy not covered by these particular sections, hence it is important that the right to prosecute regardless of any judgment that may be entered under these sections should still be preserved. But that provision does not attempt to preserve the act itself. It simply preserves the right to prosecute as to any offense that may still remain under that law.

I want to call your attention in this connection to section 14. That section is said to make guilt personal. That section is a fraud. It was introduced simply for the purpose of deceiving those who do not know what the law is.

The Criminal Code has this provision:

Whoever directly commits any act constituting an offense defined in any law of the United States, or aids, abets, counsels, commands, induces, or procures its commission, is a principal.

That broad and comprehensive language is to be supplanted by section 14, and here is the language:

That whenever a corporation shall violate any of the penal provisions of the antitrust laws such violation shall be deemed to be also that of the individual directors, officers, or agents of such corporation who shall have authorized, ordered, or done any of the acts constituting in whole or in part such violation.

Under the language of this new section only those who authorize, order, or do any of the acts forbidden are guilty, while under the present law not only are those guilty, but in addition all who abet, counsel, induce, or procure the commission of the act, whether they authorize or command it or not. The penalty in this new section is just exactly the same as in the present Sherman law. There is no increase in the penalty. The effect of this section is to relieve persons now liable to the penalties of the Sherman law. It may be that those who have been instrumental in pushing this section may have occasion some day to regret that they tried to fool the public. To relieve from criminal penalties and fool the public are all the purposes this section has.

Not only have men been convicted and sent to prison under the present act, but a large number have been fined. All who have been fined could have been sent to prison. In every case when this question has been before our courts it has been held that the individual as well as the corporation was liable. Not a single instance has been cited where anyone escaped because guilt is not personal under the law. The Attorney General called to our attention the fact that there is no necessity for such a section and submitted to the Judiciary Committee copies of indictments under which men had been indicted.

Allow me briefly to call your attention to section 7. When this bill was before this House I called attention to a number of objections to it. Some of those objections have been obviated by amendments, but it is still open to the objection that I made then that it expressly permits holding companies. This section attempts to deal in a comprehensive fashion with the effect on commerce created by the purchase by one corporation of the capital stock of another corporation. It is said that the second paragraph deals with holding companies. Its language is broad enough for that purpose, but the first part of the third paragraph excepts from its operation the class of corporations we know as holding companies, and all holding companies can easily amend their charters so as to come clearly within this exception. That paragraph provides that corporations that "purchase such stock solely for investment and not using the same by voting or otherwise to bring about or in attempting to bring about the substantial lessening of competition" are not forbidden. That was just the kind of a trust created by the Northern Security Co. It had never used the stock by voting or otherwise to lessen or to attempt to lessen competition. The Supreme Court, however, held that there could be no competition between two companies the ownership of which was consolidated in a third company, and very properly dissolved the combination; still that is just the kind of a corporation permitted under this exception. In a letter from the Attorney General read to the conferees he called attention to this very paragraph and to the fact that it describes a holding company, and suggested that it ought to be amended, but no amendment was made to the provision.

In conclusion I want to call your attention to some of the provisions in reference to labor. Outside of one or two provisions I do not believe that the bill changes the law now applicable to labor.

The first sentence in section 6 deserves some notice. It reads as follows:

That the labor of a human being is not a commodity or article of commerce.

The Attorney General, in the letter I referred to, called attention to the danger that lurked in such a statement. As it reads it is hard to tell what it means. Of course, no one has ever contended that labor is a tangible material thing like the groceries or clothes that we purchase in commerce, but that labor is an article or part of commerce everybody on this floor has recognized by passing labor legislation. Some of those in favor of the proposed legislation claim that this wipes out the Sherman law as applied to labor. If that is true, it will not only wipe out the Sherman law but every other law in the interest of labor that rests upon the power of Congress over commerce. It will wipe out the employers' liability act and a number of other acts passed to protect labor in interstate commerce. Its language is not limited to the Sherman law. It is general. The declaration, if it means anything, means that labor shall not be construed to be an instrumentality in interstate commerce. If it was intended to exempt labor from the Sherman law, it ought to have been written in plain language and not in an oracular sentence, such as this. If this provision is to be construed as now contended for it will be one of the grievances of labor, not a boon. Labor can not afford to be outlawed. It is entitled to and will ask the protection of law like other citizens.

I believe that labor will find itself sorely disappointed with the so-called Bill of Rights written into this measure. Section 20 forbids the issue of injunctions in certain cases. Labor organizations have asked for such legislation. But what does it do? It grants relief to pretty much everybody, but denies it to those for whose benefit this section is said to be drawn. You read it and you will find that there is no provision against issuing an injunction in favor of an employer and against one seeking employment. It is the one seeking employment that has been asking legislation. It is the person that strikes that is enjoined in the cases complained of. When a person has struck he is seeking employment and is not an employee; he may be enjoined in the old-fashioned way and on the same old grounds. The one who has been asking for protection against injunctions is denied relief and is mocked by a section that grants that relief to others not asking for it. Some have claimed that a striker is an employee; but this section settles that, because in the second paragraph it is provided that the employer may discharge him at any time. As soon as an employee strikes he discharges himself, and if he does not, the employer can discharge him under this very section. When he is discharged he is a person seeking employment and not an employee, and as such he can be enjoined under this bill, the same as he can now.

Mr. MADDEN. Will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. MADDEN. The relationship of employer and employee does not exist when the man who was formerly the employee is on a strike?

Mr. VOLSTEAD. Certainly not.

Mr. MADDEN. And so, of course, the provisions of this bill regulating the issue of injunctions by an employer against an employee does not restrict an employer in enjoining a man on a strike?

Mr. VOLSTEAD. This section only protects people that have no grievance.

Mr. MOORE. Is it not true that when the bill was in the House the proponents of the measure insisted that a striker was an employee and had that status?

Mr. VOLSTEAD. I do not remember; but it is perfectly plain that the employer may discharge the striker before he secures his injunction, because in this paragraph it is provided that no such restraining order or injunction shall prohibit any person or persons, whether singly or in concert, from terminating any relation of employment, and the things that can not be enjoined are by the last sentence of the section declared to be legal.

Mr. MOORE. In what position does that place the striker?

Mr. VOLSTEAD. He has no protection under the first paragraph of this section.

Mr. MOORE. And he is the man whom they were supposed to protect when the bill was before the House?

Mr. VOLSTEAD. Yes.

Mr. MOORE. To get any benefit from this provision the man would have to be in actual employment?

Mr. VOLSTEAD. Yes; and he would not be likely to want an injunction against his employer.

Mr. MOORE. He would have to keep his job while he sued his employer. That is rather an interesting process for him to go through.

Mr. VOLSTEAD. There is another feature of this section that may be worth noticing. It certainly authorizes both the primary and secondary boycott, but it also authorizes the blacklist on the part of employers. I presume one was intended to offset the other. I am not prepared to say which will be the most effective weapon of warfare. Those who stand sponsors for this bill claim that it neither authorizes the one nor the other. They claim that the bill does not change existing law in regard to labor except that it prevents courts from declaring labor organizations illegal and gives a jury trial when an injunction has been violated. There is absolutely no question as to the legality of labor organizations. Such organizations have been repeatedly held by the highest court of our land to be legal. The bill adds nothing in that respect, nor is it certain that it grants a jury trial in contempt cases. Courts now have the power to submit questions of fact in such cases to a jury. Under the language of this bill why is it not optional with the court whether it will submit any such question to a jury? The language of the provision relied upon is that—

such trial may be by the court, or, on demand of the accused, by a jury, in which latter event the court may impanel a jury from the jurors then in attendance, or the court or the judge thereof in chambers may cause a sufficient number of jurors to be selected and summoned, as provided by law, to attend at the time and place, at which time a jury shall be selected and impaneled as upon a trial for a misdemeanor.

It will be noticed that this provision says that the trial may be by the court or it may be by a jury if demanded by the accused, and that the court may impanel a jury; the only mandatory provision appears to relate to the manner in which a jury is to be selected. To have the effect of giving a jury trial the provision must repeal existing law, and it must do so in clear language. Can it be said that this provision takes from our courts the right to try contempt cases without a jury? Why does not this section say that, on demand of the accused, the trial shall be, and not that it may be, by a jury? Clearly this can not be an oversight. It must have been intentional, so that courts may do as they consider proper under the circumstances.

I believe in protecting labor and its organizations. I believe that their rights should be carefully guarded. No one is worthy of a place upon this floor who does not sympathize with their struggle for better wages, for better conditions, a happier and better lot. They do not ask to be placed beyond the reach of the law, and resent the empty promises and pretenses of those who seek to deceive them. This bill grants to labor no bill of rights not heretofore recognized outside of the matters I have called attention to. This bill only puts into statutory form present law. I am perfectly willing that the rights of labor should be written into the statute, but when you write it do it in plain English, so that we know what it means, and so there can be no question about it. [Applause.] It will take a good deal of litigation to determine whether it changes existing law or not.

I want to say to my Democratic friends, you started out with a great deal of bragging about what you were going to do to the trusts. You introduced a multitude of bills that certainly had teeth in them. As the days and the weeks and the months have passed, one by one those bills have disappeared, one by one those brave promises have been forgotten, one by one you have pulled the teeth out of this bill, until the thing you present to us now is a toothless measure that can never do anybody any harm.

If you were to ask the trusts what sort of legislation they wanted you to pass on trusts, do you not feel confident they would tell you this is the right kind of a measure? Under this they will never spend any sleepless nights for fear of a prison. Would they not ask you for a bill that would complicate the present situation with all sorts of legal conundrums, that would complicate it by not attempting to define the thousand and one questions that must of necessity come up under the two varying systems that you provide? This bill will mean a mint of money to the lawyers and years and years of delay. Now that the Sherman law has become plain by the decisions of our Supreme Court, now when there is some chance to make that law effective, you step in and write upon the statute books a law that is a surrender of your past position, a surrender of every effort that has been made in years past.

The idea of sending these men that are guilty of robbing the public to a commission there to dicker and compromise in secret for the privilege of continuing their unlawful practices is ridiculous as a remedy. Make your laws effective. If you had written in section 14 a penalty of not less than one nor more than five years in prison and had wiped out your fine, you would have made the trust magnates find out what the law is. There is no difficulty to-day in knowing what the Sherman law means. Anybody that cares a rap can tell to almost a dead certainty whether he is inside or outside of the law. If you will make the offenders toe the mark by the stringent criminal penalties that you promised during the last campaign you will make them deal fairly with the public. If you had written that kind of a bill, you would not be here explaining and apologizing for this measure.

I will tell you what your troubles are. You are scared. The industrial condition is such that you dare not pass a trust bill. This is not the time to write such a law. When you met in December you thought that you could write one, but as the months have gone by and as you have seen the idle freight cars accumulate, seen the business and income of railroads diminish until they have had to beg for increased rates to save them from bankruptcy, seen the factories cease operation, seen thousands of idle men tramping the streets from one end of this land to the other, seen industries paralyzed, and a money panic that has forced into circulation more than $300,000,000 in emergency currency, you have realized that you could not pass a trust law; but not willing to confess a failure, you are trying to fool the public with this bill. [Applause on the Republican side.]

ADJOURNMENT.

Mr. WEBB. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Thursday, October 8, 1914, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SLAYDEN, from the Committee on the Library, to which was referred the bill (H. R 8960) incorporating the American Academy of Arts and Letters, reported the same with amendment, accompanied by a report (No. 1181), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HARDWICK: A bill (H. R. 19172) to repeal the tax of 10 per cent on the notes issued for circulation by State banks; to the Committee on Banking and Currency.

By Mr. VAUGHAN: A bill (H. R. 19173) for the creation of cotton loan associations and the development of reliable cotton securities; to the Committee on Banking and Currency.

By Mr. HOWARD: A bill (H. R. 19174) to provide for the issuance of emergency currency, etc.; to the Committee on Banking and Currency.

By Mr. CARTER: A bill (H. R. 19185) for the relief of the cotton situation in certain Southern States; to the Committee on Banking and Currency.

By Mr. EDWARDS: A bill (H. R. 19186) for the temporary relief of cotton growers in the United States; to the Committee on Banking and Currency.

By Mr. MANN: Resolution (H. Res. 639) directing the Secretary of State to send to the House of Representatives a list of decorations, medals, and other presents tendered to officers of the United States now held in the State Department; to the Committee on Foreign Affairs.

By Mr. LEE of Georgia: Resolution (H. Res. 640) authorizing the continuance of nine employees in the post office of the House during period between adjournment and 1st of December; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANSBERRY: A bill (H. R. 19175) granting a pension to Edward H. Hooven; to the Committee on Invalid Pensions.

Also, a bill (H. R. 19176) granting a pension to Theodore Ludwig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 19177) granting a pension to Martha A. Shaffer; to the Committee on Invalid Pensions.

By Mr. CRAMTON: A bill (H. R. 19178) granting an increase of pension to William Clock; to the Committee on Invalid Pensions.

By Mr. DONOVAN: A bill (H. R. 19179) granting an increase of pension to Harry Payne; to the Committee on Invalid Pensions.

By Mr. GARRETT of Tennessee: A bill (H. R. 19180) granting an increase of pension to William S. Love; to the Committee on Invalid Pensions.

By Mr. GLASS: A bill (H. R. 19181) for the relief of the heirs of Edward A. Scott; to the Committee on War Claims.

By Mr. LAFFERTY: A bill (H. R. 19182) granting an increase of pension to John P. Hicks; to the Committee on Invalid Pensions.

By Mr. LEE of Pennsylvania: A bill (H. R. 19183) granting an increase of pension to John Schultz; to the Committee on Invalid Pensions.

By Mr. MORRISON: A bill (H. R. 19184) granting an increase of pension to William Lietzke; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CRAMTON: Protest of the business men of Port Huron, Mich., against the Government printing envelopes by the awarding of a contract; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: Petition of the National Council, Daughters of Liberty, of Philadelphia, Pa., favoring passage of House bill 6060, relative to literacy test for immigrants; to the Committee on Immigration and Naturalization.

By Mr. BAILEY: Petition of A. Kent Miller, of Somerset, Pa., and the Gross Department Store, of Cresson, Pa., protesting against proposed tax on automobile factories; to the Committee on Ways and Means.

Also, petition of C. L. Pearson and others, relative to investigation of cucumber diseases; to the Committee on Agriculture.

By Mr. FINLEY: Petition of Ira B. Dunlap, W. J. Roddey, and I. L. Johnson, of Rockhill ,S. C., against tax on life insurance; to the Committee on Ways and Means.

By Mr. GLASS: Petition of sundry business men of the sixth congressional district of Virginia, favoring passage of House bill 5308, relative to taxing mail-order houses; to the Committee on Ways and Means.

By Mr. HENSLEY: Petition of the Federation of Railway Employees of De Soto, Mo., favoring peace; to the Committee on Foreign Affairs.

By Mr. JOHNSON of Washington: Petition of sundry citizens of Raymond, Puyallup, Olympia, Chehalis, Vancouver, Port Townsend, Wilkeson, Ridgefield, Woodland, Kent, Buckley, Centralia, Kelso, Sumner, and Tenino, all in the State of Washington, favoring House bill 5308, to tax mail-order houses; to the Committee on Ways and Means.

By Mr. KONOP: Petition of the Eagle Manufacturing Co., of Appleton; the Appleton Iron & Metal Co., of Appleton; and Greene, Fairchild, North, Parker & McGillan, of Green Bay, all in the State of Wisconsin, protesting against legislation to prohibit the Government from selling stamped envelopes with the address to business people; to the Committee on the Post Office and Post Roads.

By Mr. MORIN: Petition of the Pittsburgh (Pa.) Plate Glass Co., against tax on automobiles; to the Committee on Ways and Means.

By Mr. REILLY of Wisconsin: Petition of sundry citizens of Chilton, Wis., protesting against attempts by certain American newspapers to prejudice the American people against Germany in European war; to the Committee on Foreign Affairs.

SENATE.

THURSDAY, *October 8, 1914.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we seek Thy face and favor that we may have the courage of life's great obligation and duty. We not only look into the face of man unafraid and seek to conquer the accidental circumstances of life, but as kings and priests unto God Thou hast given to us to have dominion over the work of Thy hands. Thou hast given to us Thy Holy Word to guide us in the discharge of these our duties. Grant us this day the inspiration that cometh from above, that with convictions founded upon Thy revealed truth and with the boundless faith of those who believe in God we may address ourselves to the tasks of the day. Bless us in Christ's name. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. JAMES and by unanimous consent, the further reading was dispensed with and the Journal was approved.

THE TIDAL BASIN (S. DOC. NO. 593).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, in response to a resolution of August 25, 1914, a report regarding the practicability and desirability and cost of converting the tidal basin in the Potomac Park into a public bathing beach, which was referred to the Committee on the District of Columbia and ordered to be printed.

THE ROCKEFELLER AND CARNEGIE FOUNDATIONS (S. DOC. NO. 592).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, stating, in response to a resolution of August 5, that the organizations known as the General Education Board of the Rockefeller Foundation and the Carnegie Foundation are not related to the work of the department, etc., which was referred to the Committee on Appropriations and ordered to be printed.

UNITED STATES EXPRESS CO. (S. DOC. NO. 594).

The VICE PRESIDENT laid before the Senate a communication from the Public Utilities Commission of the District of Columbia, stating, pursuant to law, that the balance sheet of the United States Express Co., not previously submitted to the Speaker of the House of Representatives under date of February 3, 1914, or September 1, 1914, has been submitted on this date, together with a letter of explanation, which was referred to the Committee on the District of Columbia and ordered to be printed.

FORTIFICATION OF SWEET WINE (S. DOC. NO. 591).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, in response to a resolution of September 28 (calendar day, October 3), 1914, a statement containing the names and addresses of the manufacturers of sweet wine who use wine spirits or grape brandy in the fortification of sweet wines, etc., which, with the accompanying papers, was referred to the Committee on Finance and ordered to be printed.

THE PRESIDENT.

Mr. THOMAS. Mr. President, the Washington Post this morning contains an editorial highly commendatory of the President, and as it is decidedly in contrast with its unfriendly position concerning the Executive and his administration I ask unanimous consent for leave to insert the editorial, without reading, in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The editorial referred to is as follows:

[From the Washington Post, Thursday, October 8, 1914.]

THE PRESIDENT.

The American people are proud of the manner in which the President has sustained the dignity and prestige of the United States during the troublous times succeeding the outbreak of the European war.

This mighty, free, democratic Nation, peopled by men who possess full individual and political rights, with absolute freedom of opinion and with intelligence to form a correct opinion, is the only nation of the first rank in the world that is not involved in war. It is on friendly terms with all nations, and wishes to retain their friendship.

The President has interpreted to foreign nations the true spirit of the United States. He has made plain to them the desire of this Nation to maintain a policy of strict neutrality and impartial friendship, while guarding its own rights. He has shown that this Nation intends to adhere scrupulously to its ancient rule of refraining from participating in the politics of Europe. He has striven to make clear the fact that the United States will continue its independent course; that it seeks no advantage at the expense of the nations now at war, and that it stands ready and anxious to use its friendly offices in behalf of peace among them all.

The real greatness of the Nation has been reflected by the words and the attitude of the President. His own achievements in behalf of the maintenance of peace between the United States and Mexico add weight to his utterances. The good faith of the United States as an advocate of world peace is not and can not fairly be impugned. It is also apparent to the world that this Nation is absolutely free from intrigue or double-dealing in its relations with other countries. It has no allies; it has no secret ententes; it is not playing one nation against another. It stands apart, upheld by its own independence, its free manhood, and its boundless strength. Its will is expressed by intelligent opinion, not by shot and shell. It has no ambitions which clash with the peaceful ambitions of any other nation. It profits most when other nations are peaceful and prosperous.

Americans are justly proud of the majestic figure of the United States, looming up above the world's battle clouds, serene in its own might, with good will in its heart toward every nation. They are grateful to the President for the great and simple dignity with which he has maintained the time-honored rule of Jefferson—"Peace, commerce, and honest friendship with all nations, entangling alliances with none."

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11745) to provide for certificate of title to homestead entry by a female American citizen who has intermarried with an alien.